Daily Report

Latin America

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Bolivia's Paz Discusses Cartagena Summit

PY0512211291 La Paz Television Boliviana Network in Spanish 1700 GMT 5 Dec 91

[Excerpt] The summit of Latin American presidents held in Cartagena de Indias, Colombia, has adopted important resolutions related to peace in the continent and the defense of democracy. Our special correspondent Novillo Alarcon will give us further details.

[Begin recording] [Alarcon] The fifth summit of the Rio Group countries in Cartagena de Indias, Colombia, has made a call for the democratization of Cuba based on a number of meetings that should be held between Fidel Castro and his Latin American counterparts, including U.S. President George Bush; an absolute rejection of the current Haitian regime; a complaint over the fact that Latin America is still an exporter of economic resources; and effective support for a more effective integrationist action.

During the two days of intensive deliberations, and giving up protocol speeches and sessions, the Latin American presidents fully engaged in the action of preparing a document to support the regional integration processes, to conclude with the establishment before the year 2000 of a hemispherical free trade zone.

One of the matters that also has received Latin American support, is related to the Americas Initiative proposed by the U.S. President, and which currently is being debated in the U.S. Congress. The summit has asked for the lifting of all protectionist and restrictive measures that hamper the entry of products from countries of the region to European markets and those of the industrialized countries.

In a personal conversation, Bolivian President Jaime Paz Zamora has said that these and other matters on the agenda represent a constructive spirit in the quest for the development of regional countries.

How would you define this summit, Mr. President?

[Paz Zamora] I find it very positive. Some of the subjects have been debated very much, but finally we have achieved a consensus. This means that the political, economic, and social ideas are receiving a homogeneous treatment among all countries of the region. We are achieving a homogeneous Latin America that thinks and acts in the same manner. This gives us a tremendous force to achieve the changes we are conducting, and it also is giving us a tremendous force as interlocutors with the outside world.

[Alarcon] Nevertheless, in all this interest in strengthening integration Peru has maintained rigid and inflexible positions, to the point that many thought that it would abandon the Andean Pact.

[Paz Zamora] I think no one will leave this group because whoever leaves here will not know where to go. That is, the world has been structured in such a manner that there can be disagreements [passage indistinct]

[Alarcon] In addition to the working meetings, the presidents also had the opportunity to talk informally on their bilateral programs. Of course there are Bolivian affairs that also deserve to be treated by the presidents of neighboring countries.

The fifth summit of the Rio Group has thus ended, to be immediately followed by the sixth summit of the presidents of the Andean Pact countries. This summit has unfortunately been tarnished by the initial inflexibility of Peru, which did not accept the agreements achieved on the common foreign tariff, and negotiations with third countries. Bolivia maintains a firm position based on the solidity of its macroeconomic policy, while Peru is facing a severe economic crisis.

[Paz Zamora] Perhaps this problem is only affecting Peru because the Bolivian position is one with more possibilities for making contributions, because we have one of the healthiest economies in the region, a more open economy, and thus we are in a position to join an integrationist process, immediately and profoundly. Of course our position is in fact comfortable. We understand the situation of our sister nation. This morning we have discussed this problem, seeking to reach some solution. And I will tell the people about this situation this afternoon.

[Alarcon] So, the Andean Pact is not dead.

[Paz Zamora] By no means, I think it is more alive than ever. [passage omitted] [end recording]

Andean Pact Nations Reach Agreements

Mass Destruction Weapons

PA0512201391 Santa Fe de Bogota Emisoras Caracol Network in Spanish 1200 GMT 5 Dec 91

[Text] Cartagena— The Andean Pact Nations pledged to relinquish the possession, production, use, and testing of all weapons of mass destruction. The agreement signed by the Andean presidents rules out the use of said weapons, be they nuclear, biological, toxic, or chemical. The Andean Pact presidents agreed to refrain from stockpiling or holding under any circumstances these types of weapons. They also requested the nations that hold these weapons of mass destruction to pledge not to use these weapons nor to threaten to use them against any Andean Pact nation.

Free Trade Zone Created

PA0612041591 Madrid EFE in Spanish 2057 GMT 5 Dec 91

[Report by Edgar Hernandez]

[Text] Cartagena, Colombia, 5 Dec (EFE)—The resolutions issued at the Andean Summit, which ended on 5 December in Cartagena, will change the economies of the five countries of the region and will reduce the prices of numerous industrial and imported products for 75 million South Americans.

After prolonged and heated discussions, the presidents decided to create a free trade zone effective 1 January 1992 including Colombia, Bolivia, and Venezuela; and six months later Ecuador and Peru. These countries are the five member countries of the Andean Pact, signed in 1969 in this very city.

A common foreign tariff ranging between 5 and 20 percent, which will be reduced by five percentage points at the maximum level in 1994, will also become effective in January.

The discussion of agriculture sector tariffs was postponed and will be the focus of discussion at the next meeting of the Andean Presidential Council, which will be held in the Galapagos Islands (Ecuador) by mid-1992.

Regarding the controversial car industry, Colombia, Ecuador, and Venezuela will adopt a common foreign tariff with a ceiling of 40 percent until 1994, when it will be reduced to 25 percent.

With this measure, Colombians, for example, will see the price of cars decrease by 35 percent, according to a government expert.

In a joint news conference held after the deliberations, which lasted eight hours longer than expected, Colombian President Cesar Gaviria stated that "all the obstacles for the process of Andean integration were overcome" at this meeting.

Gaviria stated: "We have moved toward a customs union; we decided to eliminate the list of exceptions and agreed to establish a common foreign tariff, which will allow the members of the region to compete under the same conditions."

Meanwhile, Venezuelan President Carlos Andres Perez stated that "this is a historical episode; the most important episode so far this century regarding integration efforts in the Latin American region."

Ecuadoran President Rodrigo Borja indicated that the general theories to adjust to the new international realities have been put behind.

The presidents decided to eliminate the exchange, financial, and fiscal subsidies concerning direct taxes. In addition, they established the mechanism to negotiate with third parties and follow the recommendation by the Group of Rio, namely to establish a free trade zone in America before the year 2000.

The presidents agreed to invite Mexico to negotiate a commercial agreement with the Andean countries, based on agreements reached so far among Colombia, Mexico, and Venezuela within the framework of the Group of Three.

In addition, they decided to invite Chile, the member countries of the Southern Cone Common Market (Mercosur), and other countries from Latin America and the Caribbean to begin discussions with the Andean group to expand commercial relations and advance toward meeting the objectives proposed by the Group of Rio.

In the event that joint negotiations cannot be conducted, bilateral negotiations between one or more Andean countries with the aforementioned countries could be held.

Perez said: "This means that we are rapidly moving toward the future; this is the beginning of Latin American integration, an episode of historical importance for the future that we do not yet fully understand."

Gaviria added: "The Andean Group is a reality at last; we are going to have such a level of trade among the countries of the region that by January 1993 we will practically become one single country."

"We will multiply our strength and negotiating ability to achieve the objectives that we want at the international level," Perez continued.

The Venezuelan president affirmed that "the expansion of the market will reduce the costs of production and it will necessarily bring prosperity for every group, in addition to strengthening the process of industrial development of our region."

In the meantime, Peruvian President Alberto Fujimori added that "consumers in the five countries will receive inexpensive products," and in many cases, the price of the products will be substantially reduced.

After 22 years of more rhetoric than specific integrationist decisions, it appears that the presidents in Cartagena have taken a definitive step for the development of an Andean common market.

Andean Leaders Comment

PA0512182991 Santa Fe de Bogota Emisoras Caracol Network in Spanish 1200 GMT 5 Dec 91

[Text] Cartagena—Bolivian President Jaime Paz Zamora warned early this morning that despite the agreements reached with the Andean Pact, he is not pleased with results obtained in Cartagena. The Bolivian president surprisingly complained that, although he has been one of the principal promoters of integration, it will be difficult to explain to his people that now that they have started exporting agricultural products, the Andean Pact has approved new measures that will hinder this activity. However, his Peruvian colleague Alberto Fujimori, who held the most radical positions during the negotiations, said that the consensus reached is the result of sacrifices made by each nation. President Fujimori noted that the most important result is that the final consumer, the people of the five nations, will receive the products at a lower price.

President Gaviria explained that no one has come out losing. There are no winners or losers, only benefits from these agreements, said Gaviria.

Ecuadoran President Rodrigo Borja said that the goal is to create the conditions to become more competitive, to generate jobs, and to expand development.

Cuba

Soviets Partly Responsible for Economic Woes

FL0512235591 Havana Radio Reloj Network in Spanish 2051 GMT 5 Nov 91

[Text] Vitaliy Churkin, chief of the Information Department of the Soviet Foreign Ministry, has acknowledged that part of the Cuban crisis is due to the Soviet failure to meet their supply commitments with Cuba. The Soviet spokesman said during a news conference that the situation in Cuba troubles them, and they regret that some of Cuba's problems are the result of their failure to meet commitments made with the Havana government. The PRENSA LATINA dispatch adds that Churkin said the USSR is making additional efforts to normalize economic ties between the two countries.

On the subject of the meeting yesterday between Soviet Foreign Minister Eduard Shevardnadze and Cuban Foreign Trade Minister Ricardo Cabrisas, Churkin pointed out that the dialogue consisted of talks on the future development of bilateral ties.

French Campaign To Send Oil Ship Closes

FL0512150191 Havana Radio Rebelde Network in Spanish 1255 GMT 5 Dec 91

[Text] It has been reported from Paris that The Ship for Cuba campaign, which began several months ago in France, was officially closed in a ceremony held in the city of Malakoff, near Paris. Under this theme, the organizers of the campaign collected funds to send an oil ship to the island as a sign of solidarity.

Leo Fiquel, mayor of Malakoff; Maxime Gremetz, Politburo member of the Communist Party of France; and Fernando Flores Ibarra, Cuban ambassador to France, presided at the event last night. In his closing remarks, (Fiquel) said that the prestige of the Cuban revolution makes it worthy of all kinds of solidarity, especially during these very difficult times.

Flores Ibarra expressed gratitude for the campaign on behalf of the Communist Party of Cuba, the Cuban Government, and the people and made a special mention of the 80 persons who sponsored the campaign and the numerous French political, labor, and social organizations that supported the campaign. He also honored the contributions of 18 organizations from European and Mediterranean countries who also gave their support to these gestures of solidarity.

Even though the campaign has been officially closed, the campaign—my friends—will in effect continue until the ship leaves for Cuba this month.

Haiti's Honorat: Return of Aristide 'Inevitable'

FL0512142691 Havana Tele Rebelde Network in Spanish 1200 GMT 5 Dec 91

[Text] The provisional president [title as heard] of Haiti, Jean-Jacque Honorat, and the U.S. ambassador to Haiti, consider the return of the constitutional leader, President Jean-Bertrand Aristide, as inevitable. These remarks were made during recent interviews and were later published in the Haitian capital.

Furthermore, a new OAS commission arrived in Port-au-Prince on Wednesday 4 December to investigate the respect of human rights in Haiti. This OAS representation will hold meetings, beginning today, with officials of the de facto government, which took power after overthrowing Aristide.

Treatment at Group of Rio Summit Examined

PA0512212291 Havana Radio Havana Cuba in Spanish 0000 GMT 5 Dec 91

[Commentary by Roberto Morejon]

[Text] More time than usual was spent discussing the Cuban issue during the talks and in the final declaration of the 13 presidents who attended the Group of Rio summit in Cartagena, Colombia. According to the news agencies, Cuba's political and economic present and future were a recurrent topic at the important summit of Latin American statesmen.

Cuba viewed as positive the fact that the final document underscored a desire to reinsert the Greater Antilles into the inter-American system, which the island views as a natural process of integration with its brothers of similar traditions and cultural backgrounds.

In their conclusions, the presidents gathered in Cartagena avoided echoing the aggressive concepts expressed by some of the speakers who were U.S. allies, with regard to the manner in which Cuba should design its political process which, according to them, should follow the beaten path of multipartisanship and periodic elections.

The presidents preferred to express their deep concern over Cuba's present and future and, according to the document, they expressed a desire for the Caribbean nation to implement human rights in peace, justice, freedom, and democracy, and to achieve open and free economic development. Peace, social justice for all citizens, survival in difficult times, development, and the perfecting of efficient internal democracy are also priorities for Cuba.

However, things are not that simple for the Cuban people, whose intentions always clash with the intensification of the U.S. blockade—which was not mentioned in the Cartagena declaration—the evil consequences of the fall of socialism in Eastern Europe, and the Soviet anarchy.

The harassment by the United States and the decrease in foreign supplies have forced Cuba to evolve as a country under siege, to focus its efforts on the equitable distribution of its meager resources, and to ensure that not a single citizen is forsaken. Cuba knows that it must develop its own economic and political strategies, and equip itself with a democratic system foreign to the mechanical copies of Eastern and Western experiences. The political system, the form of government, and the election mechanisms that will ensure all of the people's real and effective participation in the country's political life are sovereign decisions that each country must make.

Anyway, Cuba listens to the opinions of friendly countries that are honestly concerned about its future and, as the Group of Rio's declaration states, respect the principles of nonintervention and free self-determination.

OLADE: Energy Problems Caused by Debt

PA0512184091 Havana Radio Havana Cuba in Spanish 0000 GMT 5 Dec 91

[Text] Gabriel Sanchez, executive secretary of the Latin American Energy Organization, OLADE, says that Latin America's big problem in the area of energy development is still the sector's huge foreign debt of $80 billion.

In statements to PRENSA LATINA, Sanchez said that Cuba basically has a supply problem because the island has a functional system that is very efficient compared to the regional average.

Concerning cooperation with Cuba, Sanchez said that an OLADE mission will soon travel to the Caribbean island to examine the possibility of using coal to generate electricity.

Ability To Repel Foreign Aggression Viewed

PA0512172091 Havana Radio Havana Cuba in Spanish 1400 GMT 2 Dec 91

[Roberto Morejon commentary]

[Text] U.S. hostility has forced Cuba to build powerful armed forces that, in close correlation with Cuban citizens, are tasked with defending the national borders.

The FAR [Revolutionary Armed Forces]—as Cubans call it—was born out of the armed branch of the revolution, the rebel army, the beginnings of which date back to 1956, when the 82 members of the Granma yacht expedition landed in eastern Cuba.

The crew on that boat, which departed from Mexico, formed the initial core of troops that withstood the weight of the people's war against the dictatorship of U.S. supporter Fulgencio Batista.

The rebels gained valuable experience through the attack on the Moncada barracks, the clashes that followed the landing of the Granma, and the direct clashes against the forces of tyranny. These experiences led them to victory.

When victory was proclaimed in 1959, the rebel army was faced with the following alternative: either enduring the aggression of the U.S. Government or letting the country be crushed.

Washington refused to sell arms to the revolutionary government, pressured other nations to do the same, and fomented a tense environment. This attitude created a strained situation which led to—among other things—the bombing in the Port of Havana of the (Lacoubre), a French ship that arrived in Cuba in 1960 carrying a shipment of Belgian-made weapons.

By then, the United States had already begun to organize or encourage acts of sabotage, attempts against the lives of leaders, airspace violations, the seizure of boats and planes, attacks on gunboats, and other acts of aggression.

These acts were followed by the mercenary invasion of the Bay of Pigs, the crisis of October 1962 [seven-second break in reception] of the Pentagon and the White House. Cuba was forced to divert part of its resources toward strengthening its defense capabilities, capabilities that are based on the armed forces and the militias.

From the beginning, the Cuban Revolution also put into practice the principle of international cooperation. An outstanding example of this was the defense of the sovereignty of Angola and Ethiopia.

Within a short period, the Cuban Armed Forces can have at their disposal a million men with a capacity to repel a foreign attack.

A key principle in military theory is to guarantee defense so that one will not be caught by surprise and this must be kept in mind because the so-called detente is nowhere in sight in the Caribbean Sea.

Necessity of FEEM Work Force Training Noted

FL0512205191 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0100 GMT 5 Dec 91

["Focus" commentary]

[Text] Deliberations of the Eighth Congress of the Federation of Secondary School Students [FEEM], to begin tomorrow, will trandscend the student sphere and extend its new concepts to the entire society, perhaps because today's main problem, which will surely be the principal topic of the FEEM young people's discussions, is how to realistically prepare our students for life. The composition of the congress, in which students from more than 300 polytechnical and 165 vocational schools are represented, not only shows the multifaceted nature of the FEEM, but is also a positive sign of the change in mentality taking place among the students as they consider the times in which we live and what our priorities are.

The revolution has always devoted enormous effort to responding to the demand for continued education in spite of the explosion in enrollment in various areas.

This concerns mainly young people today who are reaching working age. A peculiar characteristic is that our state also assumes the responsibility for providing them jobs, under any circumstances.

The imperative need in the past to satisfy the demand for a better, more skilled work force created a certain social minimizing of the manual workers' role. This relegated polytechnical education to a secondary plane, and caused the proliferation of a distorted tendency to make the university the ultimate goal, as if the full insertion of an individual into society depended on a university degree. Many manual workers have been able to demonstrate through their contributions, however, that ingenuity, talent, and creative inventiveness are qualities that are not found only in university graduates, and that a technical education can provide all possible opportunities for development.

Because of this incorrect social categorization, there almost came a time when there were proportionately more university graduates and middle-level technicians than manual workers. This paradox is also present in the demand for higher levels of consumption without the corresponding higher levels of production, as we have seen in the agricultural programs where there is a great labor shortage. A strategy of economic development of course presupposes the very rapid modernization of virtually the entire work force, which means we cannot be satisfied with an elementary education for any kind of worker. Rather, it requires more highly skilled individuals and, of course, they should be in jobs for which there is the greatest demand.

This can be seen now when it is necessary to stabilize agricultural production, based above all on increasing yields through the optimum use of scientific results and the application of technology. To do this, it is necessary to emphasize the training of agricultural workers. That is why places in nearly 100 polytechnical schools have been created to date.

The country needs to establish a rational and coherent system for training manual workers. This system must ensure that we can carry out our plans, especially for the priorities we have set in these exceptional circumstances in order to find our own solutions, obtain resources, and work for economic independence. In the same way, we must take into consideration the real job opportunities in the different regions and in the most essential specialties. This is the reason for the importance of these transformations regarding workers' qualifications, which are now being used for secondary school students, and which the congress will reflect as an expression that the FEEM is not, as it was in the past, a forum essentially for pre-university students.

Naturally, the debates at the congress will surely cover many other issues that have to do with the students themselves and their organization, as well as the institutions. These issues include the quality of the educational process, the qualifications of the teachers, and the search for solutions to certain problems in our educational system which cause deficiencies in the development of active methods of motivating students to think independently, among many other things.

If we emphasize the issue of work force training, it is because there is no doubt that this is an issue of major concern in our society right now.

Castro Presides Over Secondary School Congress

FL0512202991 Havana Radio Reloj Network in Spanish 2003 GMT 5 Nov 91

[Text] Radio Reloj reporting: As we speak, Commander in Chief Fidel Castro, first secretary of the Central Committee of the Communist Party of Cuba and president of the Councils of State and Ministers, is presiding over in Havana the plenary session of the Eighth Congress of the Federation of Secondary School Students. The students' meeting will analyze, among their main subjects, technical and professional education, trade schools, and the comprehensive education of the new generation.

Addresses Congress

FL0612025791 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0100 GMT 6 Dec 91

[Excerpts] The Eighth Congress of the Federation of Secondary School Students [FEEM] continued its plenary sessions with the discussion of the problems at polytechnical and vocational schools. The entire morning had been devoted to working in commissions. Several of the representatives of these schools agreed on the need to give this kind of education its true value.

[Begin recording of unidentified delegate] Because really the students who actually feel a calling to a given trade are not entering the polytechnical schools right now. Instead, when people finish 12th grade, in order to avoid just being out in the street, they go to the municipal education office where they live and ask for a place in a polytechnical school. Then when they are at the polytechnical school, they leave because they really do not feel they have a vocation to be a middle-level technician.

Another thing I wanted to say is that when we tell our parents that we are going to study at a polytechnical school, our parents ask us if we are crazy, and what kind of craziness is this, and things like that. We just have to convince our parents that the country needs not intellectuals alone, that the country needs not university graduates alone, because if we analyze it, many of our parents are middle-level technicians or skilled workers. The country also needs this labor force. Our parents need to become more aware about what technical and professional education is, and what the middle-level technicians are in our country. [end recording] [passage omitted]

Our commander in chief expressed his thoughts about how the mechanization process in agriculture has

changed things, and its influence on the views that exist in our society about manual labor.

[Begin Fidel Castro recording] We have to face the realities of life here. That is our problem, that of all of you and all of us. Life cannot be lived through dreams. I am not very strong on literature. I think that it was Calderon de la Barca who said that dreams are just dreams. Here there are dreams that continue to be dreams. There is something more: I think that our socialism has made dreams multiply. This is very good. I think that it has given them power. Dreams have grown more under socialism than bacilli in fermenting tanks. Almost all the best technology is based on fermenting tanks because they multiply by the millions and millions and millions. I would say that socialism is a fermenting tank (?for dreams) and a biological pesticide for realities. It is a fermenting tank for dreams and a killer of realities. Because it ignores realities, it forgets them, everything goes to the devil, and people just dream and dream. This will come out here.

I think it was a very good idea for you to start with the polytechnical school students, the IPA, [expansion unknown] agriculture, agronomy, as they call it, and the vocational schools and all that. Because here you are discussing whether we are going to create workers or intellectuals, because socialism talks about the proletariat, the workers. What you are discussing here is whether we are going to be a society of intellectuals or a society of workers. Now, if we are going to be a society of intellectuals, we really have to ask ourselves what we are going to live on, how we are going to get shoes, clothes, and food for ourselves. This is the number one problem of reality and life. [end recording]

In another part of his speech, he added the following.

[Begin Castro recording] In our own society, almost all work has been mechanized. Now we are in a special situation in which having become mechanized is unfortunate from the moment we were left without fuel. Everything is mechanized; everything is run by electricity. All the dairy complexes have milking machines. More than 90 percent of the dairy complexes have milking machines. In the past, there were no milking machines in this country, as far as I remember. Everything was done by hand.

This lengthy speech, comrades, is because we have to ask ourselves if being a manual worker is dishonorable; if working with one's hands is dishonorable; and if a society can do without manual labor; and if in a society all the work has to be intellectual; or if we can aspire to have all work be intellectual. That is a question we have to ask ourselves at this congress. That is what is being discussed. A comrade has said: Our own parents discourage us from doing this work. And they are manual workers. Because since the time we were a colony of capitalism, people have dreamed about having their sons get university degrees. [end recording]

Later on, referring to the high number of students who have historically [words indistinct] higher education, he stressed the need the country has today of increasing the numbers of technicians and skilled workers.

[Begin Castro recording] We must be realistic. Everything else is a pack of dreams. Now, there is the problem of whether it has been clearly explained to all the kids that not all the secondary school graduates can go to the university, because our universities are completely filled with students, and our country is totally filled with university-educated professionals, completely filled. We are not in the early years of the revolution when there were none. Full-time students are still entering the universities every year. I am not talking about the workers, teachers, or nurses who are taking courses to get a degree. That is very good. A woman becomes a nurse and then gets a university degree, but is still there caring for sick people. She will still have to treat sick people, dress wounds, and do what she has to do, even if she has a university degree. Because she has gone from being a nurse to being a university graduate does not mean she no longer has to do a nurse's job.

I do not know if it has been clearly explained that what we want are skilled workers, highly skilled workers, but workers who are capable of working with their hands. Society has to grant them greater social merit than intellectual workers who stay in the shade. They must be given greater material acknowledgement and a higher standard of living. [end recording]

Further on Castro's Remarks

FL061203169! Havana Radio Rebelde Network in Spanish 0000 GMT 6 Dec 91

[Text] The understanding by members of the FEEM [Federation of Secondary School Students] that the country needs to maximize the development of trade and technical training, in order to continue developing, has been ratified in the main hall of the Palace of Conventions. Here, the delegates of the Eighth FEEM Congress ratified to our Commander Fidel Castro, their commitment to defend the revolution in the furrow, the workshop, and the factory, as workers, which is what the country needs now. Fidel expressed some thoughts during the meeting.

[Begin Castro recording] I realized from the beginning that when we made education universal we also had to make work universal. Otherwise, we would have created a society full of pure intellectuals who had never done anything with their hands. That is why we defended and defended the students' participation in agriculture, even the participation of university students. There was a time when university students used to work four hours everyday.

Later on, technical, educational, and theocratic concepts, copied from some other country, crept in and separated the university from the work. Now, the university is again being introduced to work, for at least 15

days at a time. The students do it quite well. There was a time, in the control and planning of the economy, when students were not wanted, not even for on-the-job training, because they were a burden. Notice the type of socialism we were building. They did not want to let a student train because it affected their interests as a factory, or because the student was not going to perform as well as a skilled worker, or because the students made them lose a little bit of time and effort. They did not care whether or not the university students had a chance to gain experience. Little by little a whole series of negative concepts were introduced. I am recalling the times when university students used to work four hours because this problem we are discussing here has always been a concern of mine. I do not know how many others were also worried by this. Or how many really supported it. Or how many saw the work in the fields as a pastime. Or if the professors were well informed or understood the importance of that work. First of all, its educational importance. And second, its productive importance. This work helped the economy of the country. [end recording]

Among his comments, Fidel stressed the experience every person under 40 has nowadays to face any type of agrarian work.

[Begin Castro recording] Luckily, we implemented the principle of education and labor. That is why every person under 40 in this country knows what it is to do manual labor. And when a brigade, or a contingent, or anything else is organized, they tackled it without concern. They do not panic if they have to grab a hoe or have to weed a field or do any of these things. Some comrades here have said: What is this idea of going to a polytechnic school? What is this idea of going to a technical school? Are you crazy? These opinions show contempt for manual labor and the opinions of manual laborers or workers, as if it were a dishonor to be a manual worker, as if a society could function without manual laborers, no matter how technologically advanced it might be. [end recording]

During his comments to the Eighth FEEM Congress, Fidel pointed out that if we want to have food, the better salaries and material and housing conditions should be for manual workers.

More on Castro at Congress

FL0612033691 Havana Radio Rebelde Network in Spanish 0000 GMT 6 Dec 91

[Excerpts] The Eighth FEEM [Federation of Secondary Schools Students] Congress has been going on at the Palace of Conventions since this morning. The plenary meeting began at 2000 GMT with the presence of Commander Fidel Castro, first secretary of the Central Committee of the Communist Party of Cuba. The analysis of technical and professional education took up most of the session. [passage omitted]

When Fidel addressed the subject of the polytechnic schools, he said:

[Begin Castro recording] We have to ask this question. Is it a dishonor to be a manual worker? Is manual labor a dishonor? Can a society be free from manual labor? Can all the work in a society be intellectual, or can we hope for all work to be intellectual? This is a question we have to ask in this congress because this is what this congress is discussing. A comrade said that our own parents taught us to disdain manual labor, and they are manual workers. Since colonial and capitalist times, people have always dreamt that their child would be a doctor during times where there were very few doctors, or had a job in the shade—that is from the times of slavery. People have always dreamt of college degrees for their children. [end recording]

The first secretary of the party said that the salary of agricultural workers has to higher than that of workers in the city, and that their housing has to be better than in the city, and that technicians and engineers should be able to not only direct, but work the land. Castro affirmed that the country is overloaded with professionals, but that we have a shortage of manual laborers. The morning of the first day of the Eighth FEEM Congress was dedicated for working in commissions dealing with schooling; and the work, structure, and functioning of the FEEM; as well as technical and professional education.

Dissidents' Prison Sentences Upheld in Hearing

PA0512215891 Madrid EFE in Spanish 0207 GMT 5 Dec 91

[Text] Havana, 4 Dec (EFE)--The Cuban justice system on 5 December upheld the two-year prison sentence handed down on dissident poet Maria Elena Cruz Varela last week for unlawful association and libel against President Fidel Castro's government, her relatives reported today.

Together with the sentence against Cruz Varela, secretary general of the illegal opposition group Alternative Criteria [CA], the sentences against three of her associates, Jorge Pomar, Gabriel Aguado, and Pastor Herrera, were also upheld during the same appeal hearing.

The press was not allowed to be present at the hearing because, according to what officials who were guarding the entrance to the judicial building told EFE, "the courtroom was jammed" with the relatives of the accused and the general public.

The Havana municipal court had on 22 November condemned Cruz Varela and Pomar to a two-year prison for illegal association and libel against the government, while Aguado and Herrera had been given 18 and 16 months sentences, respectively, for illegal association and clandestine printing.

The dissident poet, 37, had been "publicly rejected" on 20 November by about 200 government sympathizers who assembled in front of her home to insult her. Two days later she was arrested.

Although it has not been confirmed, the same sources said that when the appeal hearing of these four CA activists was completed, another hearing could be held for three of their associates.

Fernando Velazquez Medina was condemned on 29 November to two years, while Hubert Matos Sanchez received a sentence of one year and four months, and Eliecer Aquiar Chavez received a one-year sentence, all of them on charges similar to Cruz Varela's.

Raul Castro Tours Projects in Santiago de Cuba

FL0612032191 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0100 GMT 6 Dec 91

[Text] Between the cobalt blue of the depths of the sea and the intense green of the Sierra Maestra, Army General Raul Castro Ruz, second secretary of the Communist Party of Cuba Central Committee and minister of the Revolutionary Armed Forces [FAR], has toured tourism and social development projects in Guama Municipality in Santiago de Cuba Province. When he expressed admiration for the beauty of the scenery, Raul commented on the importance of the Granma highway, which crosses between the sea and the mountains. It is one of the many projects promised by the rebel army and its commander in chief, and fulfilled by the revolutionary government. On both sides of the highway, the old cemeteries recall the dark days without hospitals and the difference from the present. Today Guama has one doctor for every 486 inhabitants.

Raul stopped during his tour to greet the workers who are building the Sevilla Hotel. He also greeted the workers at Los Galeones Hotel, which is situated on a peak, from which it is possible to observe an unforgettable Caribbean landscape. Clemente Nunez, the first party secretary in Guama, showed Raul the work that is being done in that municipality to attain food self-sufficiency. As has happened throughout his tour, the FAR minister received in Guama many messages for the commander in chief, which can be summarized by saying: Tell Fidel that we are going to resist and continue moving forward. He can count on us.

The FAR minister was accompanied by Politburo members Juan Almeida Bosque, Julian Rizo Alvarez, Esteban Lazo Hernandez, and Leopoldo Cintra Frias, as well as other party officials.

Isle of Youth Grapefruit Export Level Drops

FL0512193591 Havana Tele Rebelde Network in Spanish 1200 GMT 5 Dec 91

[Text] The amount of grapefruit exported from the Isle of Youth dropped in November due to the low number of merchant ships available to transport the fruit to other markets. In spite of it being a crucial month because high quantities are ready to be harvested, grapefruit exports amounted to only 3,285 tons.

A campaign is underway to sell grapefruit as a fresh fruit. Meanwhile, the level of exported grapefruit juice concentrate has increased. This product is popular in the market and is an alternative [words indistinct] exportation of grapefruit as a fresh fruit, which has caused a halt in one of the processing centers. The other plant, which processes fruit selected for its high quality, is maintaining a steady but reduced production schedule while it awaits transportation arrangements.

Grenada

Discussions Held on Haitian Refugee Question

FL0512133191 Bridgetown CANA in English 1316 GMT 5 Dec 91

[Text] St. George's, Grenada, Dec 5, CANA—The Grenada Government is holding discussions with national interest groups here as it seeks to decide how to respond to a United States request to provide temporary shelter to Haitian refugees, currently under the care of the U.S. Coast Guard.

"We don't think that a government should simply announce a decision one way or the other without consulting other groups....," Prime Minister Nicholas Brathwaite told CANA.

"We want to get everybody involved so that when a decision is taken, it will be on the basis of a national consensus," the Grenadian leader added.

He said the discussions would embrace private sector organisations, other political groups, churches, non-governmental organisations, trade unions, and other groups. A group of development agencies has been lobbying the government to accept some of the Haitians, intercepted by the U.S. Coast Guard at sea as they were attempting to reach the United States. Byron Campbell, a spokesman for the six agency group, told CANA he hoped the Grenada Government would limit its intake to 50 refugees if a favourable response is made.

"We will be prepared to work with the government in ensuring that adequate arrangements and facilities are available for them," Campbell said.

A small group of Haitians staged a demonstration in front of the United States Embassy here on Monday, protesting the treatment meted out to Haitians in the United States.

Haiti

OAS Mission Meets With Aristide in Venezuela

FL0612124591 Bonaire Trans World Radio in English 1230 GMT 6 Dec 91

[Text] A special OAS mission has met with deposed Haitian President Jean-Bertrand Aristide in Venezuela. The OAS group then travelled on to Haiti for more talks aimed at reinstating Mr. Aristide. Two other OAS teams are already in Haiti; one investigating charges of human rights violations, the other determining what need there may be for increased humanitarian aid.

Correction to Demonstrations in Jeremie

FL0512185491

The following correction pertains to the item headlined "Demonstrations For, Against Aristide in Jeremie," published in the 4 December Latin America DAILY REPORT, page 11:

Column two, paragraph one, sentence one, make read: Organizations close to deposed President Jean-Bertrand Aristide in Jeremie have signed a communique expressing their disagreement with senators, deputies, and political leaders who on 29 November said negotiations are not possible if there is still an embargo against Haiti. (correcting reference to date)

Same column, paragraph two, sentence two make read: We must point out that although many leaflets were distributed that called on the people not to go to the demonstration, but instead to smash car windows and flatten car tires in protest of the demonstration and its participants, the demonstration took place nevertheless. (rewording)

Jamaica

Manley on Haitian Sanction Decision

FL0512152791 Bridgetown CANA in English 1426 GMT 5 Dec 91

[Text] Kingston, Jamaica, Dec 5, CANA—Jamaica Prime Minister Michael Manley, who returned from a Rio Group summit in Colombia late Tuesday, says he is delighted with the summit decision to maintain economic sanctions against Haiti until democracy is restored there. Manley represented the Caribbean Community (Caricom) at the two-day summit earlier this week involving heads of government from South and Central America. Caricom was participating in the summit for the first time.

A statement from Jamaica House, office of the prime minister, reported Manley as saying that sanctions did not necessarily have immediate results. He cited the prolonged struggle against then Rhodesia, now Zimbabwe, before the "one man, one vote" ideal was realised, and current efforts to achieve a similar situation in South Africa.

While in Colombia, Manley also held talks with President Patricio Aylwin of Chile regarding strategies banana-producing countries in Central America and the Caribbean should pursue to protect their interests after the single European market becomes reality next year.

Trinidad and Tobago

No Haitian Refugees Under PNM Government

FL0612141891 Bridgetown CANA in English 1229 GMT 6 Dec 91

[Text] Port-of-Spain, Trinidad, Dec 6, CANA—Haitian refugees will not be admitted to Trinidad and Tobago under a People's National Movement (PNM) government, political leader Patrick Manning has said.

El Salvador

Defense Minister on Soviet-U.S. Statement

PA0612025291 San Salvador EL DIARIO DE HOY in Spanish 5 Dec 91 p 56

[Text] "The government and the Army have been willing to sign a peace agreement but the FMLN [Farabundo Marti National Liberation Front] has resorted to strategies to hinder the process."

This was stated on 4 December by Defense Minister General Rene Emilio Ponce in reaction to TASS reports from Moscow indicating that the Soviet and U.S. Governments have urged the Salvadoran Government and the FMLN to sign a peace agreement, under the supervision of international organizations, before Christmas.

The defense minister was the first official to react to the Moscow statement indicating that the USSR and the United States have urged the Salvadoran Government and the FMLN to sign a peace agreement before the end of the year.

Ponce said the Army, fulfilling constitutional provisions, has always carried out defensive operations to protect the country's industry, commerce, and economy. He said that the terrorists, who act with impunity, are the ones who have staged offensive actions.

Regarding the Soviet and U.S. Governments' suggestion, Ponce said it was welcomed but that a commitment is now needed from those Latin American governments that provide a haven to terrorists who operate bases from the territories of those countries.

FMLN Communique on March Participation

PA0612033191 San Salvador Radio Cadena YSU 0100 GMT 5 Dec 91

[Communique issued by the Farabundo Marti National Liberation Front, FMLN, General Command in Mexico on 5 December]

[Text] Regarding the march the government and the Armed Forces scheduled for 8 December, we hereby issue the following statement.

1. Peace is an aspiration of all Salvadorans, as the majority of sectors have expressed their support for the peace process. Considering the march is to show support for the negotiations—of which the FMLN [Farabundo Marti National Liberation Front] is a fundamental part and one of the main promoters of the peace process—we hereby announce that the FMLN will send a delegation to participate in the march.

2. Given that peace is an aspiration of everyone, no sector must be excluded from this march for peace. Therefore, it is disquieting for the government to exclude important majority sectors of the population from participating in the 8 December march.

3. We reject the intentions of the warmongering sectors within the Armed Forces and the government intent on turning the march into an act of rejection for the New York Agreements and the negotiation process. This situation has been identified at the negotiating table, where the government delegation is stalling and delaying the agreements.

4. We urge the people to fight against those who are opposed to the New York Agreements and who resist the attainment of peace during this year.

[Signed] FMLN General Command
[Dated] 4 December 1991

Condemns 'Peace March'

PA0512183591 San Salvador Radio Cadena YSKL in Spanish 1200 GMT 5 Dec 91

[Text] FMLN [Farabundo Marti National Liberation Front] and Salvadoran Government representatives resumed peace talks on 4 December in San Miguel Allende aimed at finding a solution to the 11 years of conflict that, according to humanitarian organizations, has resulted in more than 75,000 deaths.

The guerrillas reported that since last 16 November, when their unilateral truce designed to stimulate the talks went into effect, the Armed Forces has continued offensive operations in 11 of El Salvador's 14 departments.

Meanwhile, right-wing business organizations and political parties have announced a so-called peace march scheduled for 8 December.

The guerrillas pointed out in a communique that now, when it is necessary to bring Salvadoran society closer together, the Armed Forces decides to organize street demonstrations by manipulating the good intention of some sectors, and by making statements berating the FMLN.

According to the guerrillas, the sole objective of this demonstration is to confuse the Salvadoran people. It will only serve to increase the ongoing differences. In addition, the demonstrations are aimed at covering the delaying tactics being used by the government delegation at the negotiating table.

The FMLN issued a communique saying that it plans to send a delegation from Mexico to determine if the march is really in support of peace. If this is the case, the FMLN will participate. It remains to be seen if the government will authorize the arrival of the FMLN delegates.

It was also reported that the FMLN has accused the government and the Armed Forces of preparing a psychological terror campaign even as 15 December, the date chosen to sign a peace agreement, draws near.

Government and FMLN representatives resumed peace talks on 4 December to accelerate the process that will bring peace to El Salvador by 15 December. Peace talks

are being held in the Mexican town of San Miguel Allende, Guanajuato. According to FMLN spokesman Roberto Canas, issues currently under discussion concern matters related to the national civilian police.

Civic, Business Organizations To Join March

PA0612014291 San Salvador LA PRENSA GRAFICA in Spanish 5 Dec 91 p 21

[Text] Civic, cultural, and business organizations will join the march for peace in San Salvador on 8 December.

Members of the organizing committee stated on 4 December that representatives from at least 40 business and social organizations will participate in the march. It will begin at 0800 in the Las Americas Square, also known as the Monument to the Savior of the World, and from there will pass through the center of San Salvador and conclude at Libertad Square.

The organizations that will participate in the march include the Salvadoran Association of Insurance Companies, the Association of Chemists and Pharmacists, the Chamber of Commerce and Industry, the Salvadoran Association of Graphic Industries Businessmen, the Trade Union Federation of Construction and Transportation, the Association of Advertisement Agencies, and the General Confederation of Workers.

The organizers said this event will express Salvadoran unity on behalf of peace. They said other sectors that have yet to announce their participation are expected to join this noble effort in solidarity with the Salvadoran Government's goal of bringing peace to the country.

The organizers added that with the participation of other departments, the San Salvador march will become an example for the entire world. It will show how an entire country joins together for a single purpose, seeking what it has been denied for 12 long years, during which it has suffered grief, anguish, and uncertainty.

No obstacles hinder the participation of citizens in the great march for peace. The organizers added that a civic and patriotic duty can be fulfilled by joining the ranks of the sectors that have already confirmed their participation.

They indicated that the march's slogan is: "Let Us All Answer the Call to Peace."

FMLN Negotiator Assesses Mexico Talks

PA0512175891 (Clandestine) Radio Farabundo Marti in Spanish to El Salvador 2300 GMT 2 Dec 91

[Interview with Commander Facundo Guardado, member of the People's Revolutionary Bloc and peace negotiator for the Farabundo Marti National Liberation Front, FMLN, by reporter identified only as Manuel, in Chalatenango Department on 2 December—recorded]

[Text] [Manuel] Commander, why have you returned to the controlled territories?

[Guardado] As you know, our mission was to participate in the cease-fire negotiations within the framework of the peace talks between the FMLN [Farabundo Marti National Liberation Front] and the Government with UN participation.

We have returned because we need to inform our military leaders and our combatants about how the negotiations are going in general. Also, of course, for consultation, which the process requires for us to continue.

[Manuel] How many companeros returned to the controlled territories?

[Guardado] Eight in all: Commander Jonas [Jorge Melendez], Carmelo, Rogelio Martinez, Chano Guevara, Raul Hercules, David, Ramon Suarez, and I.

[Manuel] What is your opinion of the Armed Forces actions and what has the FMLN decided to do about this response to our cease-fire initiative?

[Guardado] We will maintain our decision to move forward with the informal cease-fire, which may very well become part of the final cease-fire agreement. We are clearly aware that this step is widely supported, both in El Salvador and abroad. All of the political, social, and religious forces have expressed their support for the move. We are also aware that there are sectors within the Army that are fixed on carrying on with the war and continue to provoke us. Nevertheless, we will maintain our resolve not to carry out offensive operations. But we are defending and will continue to defend those areas under our control, with great strength, high resolve, and enthusiasm. The defense of this cease-fire is not only through military action, but also to the extent that Salvadoran society and the international community isolate these fascist and warmongering sectors of the Army.

[Manuel] What difficulties have you found at the negotiating table in reaching a cease-fire agreement and what plans do the parties have to move forward on this matter?

[Guardado] The greatest difficulty in reaching a cease-fire agreement lies in that there are three fundamental issues in the New York agenda on which no agreement has been reached. One of these issues is the new civilian national police. Although the bases were set in New York, there are still many topics to discuss. The problem lies in that there are sectors that wish to maintain a security force, exclusively to serve a minority sector of Salvadoran society. We want a security force that will serve the interests of all Salvadoran society, and we will fight to the end for it. We have said that an indispensable and vital condition for this is the participation of FMLN members and other honest and honorable civilians, to create a professional body that will serve the whole country.

Unfortunately, there are sectors in the Army that are adamant on imposing their will over the new security force. It is clear that there is no place for this under the New York Agreements, and Salvadoran society will not allow the Army to continue dominating public security.

In the second place we have the issue of Army reduction. We believe that under a peace situation, and given that our country is moving toward democracy and we have no threats from our neighbors, the Army must be reduced. It must also submit to the new doctrine and to the new education system. There must be an army formed for a democratic society and not for repression, imposition, or to uphold a state of social injustice. We believe this must end. But we see that there are sectors within the Army, especially those who have managed to collect large amounts of economic resources through the war, who want to continue fighting the war and maintain a military structure that our country no longer needs. It has never needed it and will not need it for this new stage.

We are demanding that the government reduce the Army; a reduction in officers and troops, in accordance with the new situation in El Salvador. As I said, there are sectors who oppose this and do not wish to make a firm and direct commitment on this issue, but we are sure we will make progress.

[Manuel] Has there been any significant progress on the creation of the police force during the negotiation process these last few days?

[Guardado] I can say we are closer to agreement on some points. There is no agreement on pending aspects involving the transitional phase, the composition of the new security corps and the participation of former FMLN fighters in that corps. There has been much discussion in this regard.

On our part, we are presenting initiatives aimed at making fast and firm progress in this regard. The main obstacle we are facing is the one I told you about: There are Army sectors that want to continue controlling the new security corps, the Civil National Police. This is something the Salvadoran people will not permit.

[Manuel] Do you want to deliver a message to the Salvadoran people through Radio Farabundo Marti?

[Guardado] I want to tell the Salvadoran people that the New York Agreements represent a solid foundation to march forward on the road to definite peace in our country. We know there are sectors that would like to defeat those agreements but we are certain that the Salvadoran people favor implementing those agreements and signing definite agreements that will lead to a cease-fire.

The participation of the country's various political, social, and religious forces guarantees that this process will reach its final phase. This participation will serve to remove obstacles that are preventing a definite solution. We feel optimistic in spite of the difficulties I have mentioned.

Although there are sectors that want to stop the process and to make it go backwards, sectors that want to defeat the agreements, we are convinced there is no room for that. We are certain that soon we will be marching firmly toward a definite solution.

Greetings to all Salvadorans, especially to the companeros who make it possible to provide information over Radio Farabundo Marti.

Journalists Issue Communique Condemning Threats

PA0612032591 San Salvador Radio Cadena Horizonte in Spanish 1815 GMT 3 Dec 91

[Communique issued by the Association of Salvadoran Journalists and the Association of Foreign Journalists in El Salvador in San Salvador on 3 December]

[Text] The Association of Foreign Journalists in El Salvador, and the Association of Salvadoran Journalists jointly issued the following communique:

1. We call attention to a series of threats made during the past days against international media representatives carried out in the following manner: threatening letters sent by the Salvadoran Anticommunist Front to the residence of three foreign correspondents; an attempt on 23 October to intercept the car driven by another correspondent and to threaten him at gun point; and the 24 November burglary of all journalistic equipment by armed men who threatened a foreign and Salvadoran correspondent.

2. We condemn these actions, which we consider contrary to the peace and national reconciliation movement in El Salvador.

3. We appreciate the private and public expressions of support and encouragement.

4. We call upon the authorities to honor its commitment to investigate these events, take the required legal measures, and offer adequate protection to freedom of expression established in the Constitution.

5. We call attention to the fact that the commitment of the press is to the truth and freedom of expression; not to parties involved in the Salvadoran conflict. We restate our intention to honor this commitment.

[Issued] San Salvador, 3 December 1991.

Guatemala

Government, URNG Willing To Continue Talks

PA0512201591 Guatemala City SIGLO VEINTIUNO in Spanish 4 Dec 91 p 6

[Text] President Jorge Serrano Elias delivered 3 December to Monsignor Rodolfo Quezada Toruno, president of the National Conciliation Commission, and to UN observer Francesco Vendrell the basic outlines for a Government-URNG [Guatemalan National Revolutionary Unity] dialogue.

Without going into detail, Vendrell and Quezada Toruno explained that they had delivered to the president some guidelines to reorient the negotiation process with the rebels that would allow them to make progress on the human rights issue being discussed.

Both conciliators appeared optimistic that before the end of the year the parties could meet to continue the negotiations in favor of peace for all Guatemalans. But they noted that the human rights issue is very difficult and complex.

Quezada Toruno and Vendrell indicated that the government and the URNG have reiterated their political willingness to continue at the negotiating table until positive results are obtained.

Serrano Rejects 'Slander' on Human Rights

PA0512201991 Mexico City NOTIMEX in Spanish 0941 GMT 5 Dec 91

[Text] Tegucigalpa, 5 Dec (NOTIMEX)—Guatemalan President Jorge Serrano Elias on 5 December accused the guerrillas and international organizations of involving his government in human rights violations without any evidence.

In a statement to a Honduran television station, the Guatemalan president said the situation "has discouraged foreign investment."

"Many persons live well, receive high salaries, to speak ill of us. They get paid to misinform," he said.

He added that his government has launched a struggle against impunity and reiterated that the charges against the country are part of an "orchestrated slander" campaign based only on "verbal charges."

"I invite any goodwill organization to visit Guatemala and to confirm any violation of fundamental rights so that action can be taken against the guilty parties," Serrano stated.

Regarding the Central American presidential summit, scheduled to be held in Tegucigalpa on 12 and 13 December, the Guatemalan president said he will attend to promote "broad paths of cooperation."

President: Government Willing To End Conflict

PA0512222791 Guatemala City EL GRAFICO in Spanish 4 Dec 91 p 11

[Text] Asked about the standstill in the talks with the URNG [Guatemalan National Revolutionary Unity], President Jorge Serrano—who is also the general commander of the Army and the promoter of the peace initiative for Guatemala—stated: "I would put an end to the armed conflict right now."

Serrano also made the following statements:

"My government is willing to put an end to the armed conflict right now. We have already said this and want to ratify our position: We are pacifists. We want peace and an end to the armed conflict. Unfortunately, we do not think that is what the URNG wants. The enemy has used several tactics to slow down the negotiations, thus making them take longer than the estimated time.

"As president I have shown my devotion to peace. I have always tried to make peace shine and not to let good decisions vanish. You must all remember that this entire process began in Oslo and the nation's eyes are turned toward it. I was the head of the delegation that took the agreement to Oslo. The agreement was virtually the framework for peace in this country.

"As president, I maintain the same spirit and the same pacifist philosophy I upheld while I was a member of the opposition. You must also remember that my government was responsible for making the dialogue between the guerrillas and the government possible.

"I welcome the proposal made by mediator Rodolfo Quezada Toruno and by the UN observer team with much optimism. I have just received it and I will be analyzing it in the next few hours. I am confident that the dialogue will resume."

Human Rights Situation Seen Improving

PA0612043991 Guatemala City PRENSA LIBRE in Spanish 5 Dec 91 p 81

[Text] International organizations have admitted there is improvement in the human rights situation in Guatemala. They emphasize President Serrano's plans to end impunity, government spokesman Gonzalo Asturias Montenegro said on 4 December when he referred to recent statements by the Catholic Church.

The committee for the respect of human rights of the Catholic Church reported there have been over 1,000 human rights violations in various parts of the country during 1991. The committee noted that what is worse, the various charges of such abuses have not been investigated and nothing has been done to arrest and punish the responsible parties.

The church did not blame the government for these violations, but it emphasized the need for investigating the charges and ordering the arrest of the responsible persons.

Gonzalo Asturias Montenegro, secretary of public relations of the Presidency, reported the government is trying to end violations of the liberties of man, something it has not been able to eliminate during the first year of Serrano Elias' administration.

He emphasized, however, that several international organizations, as well as U.S. senators and congressmen, admit President Serrano is making efforts to end human rights violations. There are many examples of President Serrano's efforts to guarantee these rights and punish the parties responsible for these violations.

Several individuals responsible for some crimes have been arrested, something that never happened in the past. Asturias pointed out that the government is trying to punish the responsible parties, not just make demagogic speeches. However, the government needs the cooperation of the courts, he said.

The government is also promoting a plan to end impunity and all actions that harm the people. In this administration, there will not be any room for these violators of the liberties of man and whoever is found responsible will be punished, the government spokesman concluded.

Honduras

Power Company Fires Union's Board of Directors

PA0512204491 San Pedro Sula LA PRENSA in Spanish 3 Dec 91 p 5

[Text] Tegucigalpa—The number of employees fired by the National Enterprise for Electric Power (ENEE) over the past week increased to 80 with the 2 December dismissal of all the members of the board of directors of the central offices, as well as of one of the branches of the National Enterprise for Electric Power Workers Union (STENEE).

ENEE sources have announced the dismissal of all members of both boards of directors. In addition, the enterprise had already dismissed union president Gladys Lanza and secretary general Ismael Barahona on 29 November.

On 2 December, Lanza once again stated that all actions taken by the government—from the announcement on 28 November that the strike at El Cajon hydroelectric power station were illegal, to the dismissal of STENEE's board of directors—are null.

She stated that this is why members of the boards of directors insist on their decision to reject management's "pink slips." Labor Ministry inspectors handed Lanza her pink slip as she was leaving Radio America, after participating in a program there.

Meanwhile, Hector Hernandez, president of the United Federation of Honduran Workers (FUTH), announced on 2 December that he and some colleagues from the Confederation of Honduran Workers (CTH) and the General Workers Federation (CGT) would meet with President Callejas today.

Hernandez stated that during the meeting, the three labor unions would inform Callejas about their support for and solidarity with STENEE activities.

On 2 December, the leaders of the three labor unions decided to hold a plenary session of the executive committees of all peasant labor organizations on 5 December. They are to discuss actions that could lead to a general strike if no solution is found for the STENEE problem.

Nicaragua

Recontras, Army, Party Officials Meet in Boaco

PA0512202191 Managua Radio Nicaragua Network in Spanish 1815 GMT 3 Dec 91

[Text] Former combatants of the Nicaraguan Resistance [RN] and members of the Army and the Political Council of the National Opposition Union met on the afternoon of 2 December in Boaco. They reached agreements that satisfied the participants in the meeting. The talks were attended by Captain Oscar Barberena from the Army, Commanders Ganso and Pantera from the RN, and representatives from political parties and the cattlemen of Boaco Department. The former RN members demanded changes in the Nueva Guinea police force and the establishment of a rural police force to protect the people of Muelle de los Bueyes, El Rama, El Almendro, El Coral, and other towns.

Executive, Legislative Branches Suspend Talks

PA0412181491 Managua BARRICADA in Spanish 3 Dec 91 p 5

[Article by Roberto Larios]

[Text] The differences between the executive and legislative branches deepened after a break in the talks they were holding prior to the national dialogue.

The break in the talks coincides with the stalemate at the Joint Commission, which is studying reforms to the property bill that are "mutually acceptable."

On 2 December, 10 UNO [National Opposition Union] parties issued a communique accusing the government of being "intransigent." BARRICADA telephoned the offices of Danilo Lacayo, director of the Information and Press Directorate of the Presidency; and Labor Minister Francisco Rosales to obtain the government's account of the events, but they refused to answer our calls.

Presidency Minister Antonio Lacayo summoned 14 UNO parties to a meeting today at the Olof Palme

Convention Center. Although the faction linked to the National Assembly president confirmed that they will not attend the meeting, it is expected that at least four UNO parties will respond to Lacayo's call.

A UNO commission formed by Wilfredo Navarro, Julio Ruiz Quezada, and Roberto Urroz, met on 29 November with a government commission formed by Ministers Silvio De Franco and Francisco Rosales, as well as presidential adviser Alejandro Bolanos.

At that meeting, the participants would have reportedly drafted the agenda of the dialogue between UNO and the government, which the progovernment coalition is demanding prior to the national dialogue with the Sandinist National Liberation Front.

According to the UNO version, both parties initially agreed on a 14-point agenda divided into three large areas. The agreements were broken when the government refused to agree that the presidency of the national dialogue would alternate.

Dr. Miriam Arguello has told BARRICADA that during the national dialogue held in 1987, Commander Carlos Nunez set a precedent by accepting an alternating presidency. "The government wants to monopolize the presidency at the dialogue," she stated.

The other cause of the break in the talks between the executive and legislative branches was the amount of time devoted to the discussion of each topic. According to UNO, the government is trying to limit the discussion of each topic to three hours, which would reduce the national dialogue to one day.

UNO protested, which prompted an "arrogant response" by government representative Alejandro Bolanos. UNO representatives stated that Bolanos "kicked them out" of the meeting.

Deputy Roberto Urroz has said that the government is only trying to get a "blank check" to present at the next deliberation of the Paris Club.

Dr. Julio Icaza Tijerino has told BARRICADA that only two days before the expiration of the deadline for submitting recommendations, the Joint Commission has not even met again.

The virtual failure of the negotiations on the issue of property is reflected by the resignation of Deputy Luis Sanchez Sancho, who acted as a representative of Alfredo Cesar from the Joint Commission.

The resignation of Sanchez has been confirmed by National Assembly Secretary Fernando Zelaya.

* FSLN Distortion of Labor Issue Viewed

92CA0026A Managua LA PRENSA in Spanish 29 Oct 91 p 4

[Commentary by Emilio Alvarez Montalvan]

[Text] The violent acts that took place last week in bucolic Granada, perpetrated by elements of the Sandinist National Liberation Front (FSLN) against the E. Chamorro y Cia. Ltda. company were a manifestation of ulterior motives that went beyond a labor conflict.

It is clear that if the country wants to progress along the road to democratization, all grievances (which are inevitable in capital-labor relations) must be processed through the proper channels, within the laws of the Republic. It is unacceptable to cling to methods that characterized the last decade, when terror was used as a means of accomplishing ends.

If the workers who tried to organize a new union, which is entirely their right, had obtained the 25 signatures that the legislation requires and followed the proper procedure as set forth in the regulations, they would have had no pretext for straying from the path of legality.

But since they did not manage to convince enough coworkers, frustration led them to commit violent acts that were more an expression of their desire to demonstrate their destructive power than of reasonable demands, which could have been negotiated in a civilized manner.

Although the police proved somewhat more effective this time than on previous occasions, they have not yet gotten to the point where the citizenry feels protected from the outrages committed by mobs trucked in for that purpose.

The fact that the abusive attitudes went beyond the bounds of company property and reached the homes of the owners reveals a totally unacceptable element of terror.

But the shocking thing about this episode is that the workers are no longer being represented in the negotiations by the aborted union, which is legally nonexistent, but by Sandinist leaders. Last week, the chief spokesman for the Sandinists encouraged this type of action.

This time, no matter what the terms of the agreement, what should be avoided is the typical solution that the FSLN always tries to provide for these violent episodes when it feels it has been foiled: "Everything should go back to the way it was, as if nothing had happened; not the destruction of private property, not the moral harm to peaceful residents, not the assault on the homes of respectable citizens." In this regard, it would be absurd to reinstate the 14 agitators; what ought to be done is to file criminal charges against them for disturbing the peace and causing property damage and bodily injury.

We have always maintained that the FSLN's perception of its political role at present is to keep the government and the owners in suspense, making it clear to them that their survival and stability depends on the gracious concessions of the FSLN, on whether it tightens or loosens the noose, so that they will be at the mercy of its whims.

In the Granada incident to which we are referring, the company that was assaulted had never had a labor conflict; no list of demands was ever submitted; no complaints were ever filed with the Labor Ministry; no suits were filed for breach of contract; no demands were made for pay raises. All the company saw was arrogance and vulgarity on the part of agitators who insist that they are the ones who rule, from below. To submit to this kind of pressure is to completely distort the well-worn slogan about national conciliation.

So what really lies behind the mob at Gran Sultana, led and instigated by the FSLN, is a political motive that has nothing to do with the trumped-up labor dispute. What the Sandinists are trying to do is practice what they themselves call "diversionary tactics," aimed at distracting, confusing, and intimidating the public, in response to the fear instilled in them by the Law on Property Distribution, which will be voted on by the National Assembly this week.

Rebels Occupy Puerto Cabezas To Make Demands

PA0612025191 Managua Radio Catolica in Spanish 1130 GMT 5 Dec 91

[Text] Puerto Cabezas is still occupied by the military. The rebels are asking for the dismissal of the governor, the mayor, and the head of the National Assembly. Several roads in the 5th Region are occupied by the recontras, while other roads are occupied by the recompas. The Juigalpa population is alarmed and some believe the national authorities have lost the opportunity to find a real solution to the problem.

Mayors of the 5th Region are expected in Managua this morning. They will hold a news conference to talk about the tense situation.

On the telephone line we have Osvaldo Bonilla Henriquez, who has information about the Atlantic Coast. Go ahead Osvaldo.

[Henriquez] We are able to report on the situation in Puerto Cabezas, Atlantic Coast. It has been reported that what is going on there is actually a personal quarrel between Steadman Fagoth [leader of Miskito, Sumu, and Rama Indians], Brooklyn Rivera [director of the Nicaraguan Institute for the Development of the Autonomous Regions of the Atlantic Coast], and Leonel Panting, the governor of the Northern Atlantic Autonomous Region.

Roger German, representative of Yatama [Miskito, Sumu, Rama Indians, and Creole Groups Organization] in Managua, has contacted Commander Osorno Coleman, also known as Commander Blas, from Puerto Cabezas. He has reported that the government offices were occupied by some 30 Yatama men, led by Brooklyn Rivera. Leonel Panting, who was inside, left the government offices through the back of the building.

Government Ministry authorities are there to hold talks with Leonel Panting, but Steadman Fagoth says he will not participate in any meeting while Panting is present. Brooklyn Rivera says he will not participate in any meeting if Fagoth is present. The situation is a little tense.

Meanwhile, 30 of Brooklyn Rivera's men continue to occupy the government offices in Puerto Cabezas. The police and the Army evicted armed people occupying a stretch of road between Waspan and Puerto Cabezas. That is the latest information we have on the situation.

Panama

Publishing Company Responds to Endara's Charges

PA0412122891 Panama City EL PANAMA AMERICA in Spanish 3 Dec 91 p 1A

[Communique issued by Panama America Publishing Company, EPASA, in Panama City on 2 December]

[Text] Panama America Publishing Company [EPASA] is compelled to answer immediately the irate statements made on 2 December by the president of the Republic:

1. EPASA maintains its constant position of defending the republican and democratic institutions. As a result, we have repeatedly insisted on the need for the president to be able to complete the job for which he was elected by the Panamanian people.

2. EPASA was deprived of all its property at the beginning of the military dictatorship that subjugated the Panamanian people for more than 21 years. All its goods, assets, and property were transferred to an instrument of narcotyranny called Renovacion Publishing Company (ERSA). Despite the annual subsidy the military government granted to the aforementioned publishing company, which amounted to more than 1.5 million balboas, it was forced to resort to the National Bank to obtain a loan of 1.9 million balboas.

3. This is the loan that the current National Bank manager, contrary to the law and the opinion of the board of directors, is trying to collect from EPASA.

4. EPASA does not believe in exerting pressure, nor does it need to do so. It is sufficiently supported by the Constitution and the laws of the Republic, as well as the vast majority of Panamanians.

5. At any rate, EPASA has the backing of a unanimous ruling issued by the Supreme Court of Justice and the support of the Inter-American Press Society, which is well aware of the justice of its cause.

6. EL PANAMA AMERICA and CRITICA LIBRE will continue, as they have in the past, to defend the country's liberty and its highest interests. Dr. Harmodio Arias Madrid assumed the post of editor in 1938 and bequeathed us with an independent and truthful editorial line, which we continue. From it, we derive our slogan: We Divulge the Truth That Others Conceal.

Argentina

Congress Accepts Vice President's Resignation

PY0512163891 Buenos Aires TELAM in Spanish 1452 GMT 5 Dec 91

[Text] Buenos Aires, 5 Dec (TELAM)—Congress accepted the resignation of Vice President Eduardo Duhalde just after 1430 GMT. The resignation, which was tendered in writing, was accepted by all congressional blocs.

Under the presidency of Senator Eduardo Menem, the provisional president of the Senate, Duhalde's resignation was read and the session ended despite the opposition of Radical Civic Union party representatives who wished to discuss the need to hold elections for vice president.

'No Possibilities' of New Elections

PY0512201091 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1743 GMT 5 Dec 91

[Text] Buenos Aires, 5 Dec (NA)—President Carlos Menem said today that "there are no possibilities that we will call new elections to elect Eduardo Duhalde's successor as vice president."

The president stressed that his brother, Provisional Senate President Eduardo Menem, is Duhalde's natural successor "as established by the law."

Today Duhalde resigned from the vice presidency effective 11 December. He will be sworn in that day as Buenos Aires Province governor, replacing Antonio Cafiero.

Painted Faces Case Sentences Reported

PY0512203491 Buenos Aires BUENOS AIRES HERALD in English 5 Dec 91 p 11

[Text] (NA-DYN)—The Federal Appeals Court yesterday sentenced 11 lower-ranking carapintada [painted faces] officers to prison terms of between two and seven years and acquitted five others charged with taking an active role in the December 3 military uprising.

Appeals court President Mario Gustavo Costa read the verdict convicting the 11 rebel officers with different degrees of participation in "mutiny and aggravated rebellion."

Federal prosecutors Gustavo Bruzzone and Cecilia Pombo said the sentences were not stiff enough and would be appealed before the Supreme Court.

The 16 lower-ranking officers were previously tried by the Armed Forces Supreme Council, which ordered harsher convictions with 14 of the rebels sentenced to prison terms and two acquitted.

Family and friends of the acquitted lower-ranking officers jumped for joy when the verdict was read. The five who walked free due to lack of evidence were Major Carlos Jaime, Captain Jorge Valfre, Lieutenant Fabian Gonzalez, Captain Ricardo Muller and Lieutenant Raul Fidel Castro.

The court charged Captain Epifanio Almada, Lieutenant Jorge Bodenlli and Lieutenant Sergio Varanzuela with being co-authors of the mutiny, which led to bloodshed, and punished them with a seven-year jail sentence.

Captain Omar Munoz and Lieutenant Pablo Gaydou were each handed down five-year prison terms while Lieutenants Jose Bednarz, Victor Cordero and Ruben Rivera were sentenced to four-years imprisonment.

In addition, Lieutenants Eduardo Rodriguez and Oscar Raimundi received a three-year term and Lieutenant Sergio Carrere was sentenced to two years. The 11 convicted carapintada officers were also stripped of their ranks.

Yesterday's verdict closes a new chapter in the trial of 31 carapintada military officers accused of mutiny and bloodshed in the December 3 uprising. Earlier this year, 15 senior officers who led the rebellion were sentenced to jail terms ranging between 25 months to life in prison. Cashiered Colonel Mohamed Ali Seineldin, the mastermind of the rebellion, was the only to receive a life sentence.

Next March the Federal Appeals court will try over 80 civilians and members of the Coast Guard accused of supporting the bloody rebellion.

* Reasons for Removal of Army Commander Viewed

92SM0109B Buenos Aires LA PRENSA in Spanish 1 Nov 91 p 5

[Report by Horacio Pagano]

[Text] The withdrawal of Lieutenant General Martin Bonnet from the Army hierarchy inevitably assumes the very features present when he inherited the post upon the death of his predecessor, General Isidro Caceres.

The fundamental cause: governmental disagreement with proposed promotions and retirements in the rank of general as drafted by the Army.

The differences apparent in the two areas leading Bonnet to take the extreme measure are confirmed by the speed of an outcome which the Army itself had not anticipated and by Army planning which, until the very day of the official's withdrawal, continued to reflect his participation in the Conference of American Armies that today would have seen him traveling to the site of the meeting in the United States.

No Possibility

When it came time to be specific about promotions and retirements of generals, Bonnet ran into the unexpected.

He had not foreseen that the fiery defense which turned some of his generals into peers challenging his continued reign would be transformed, due to differing evaluations of their political superiors, into an insurmountable obstacle to his authority. It then turned out that the very persons he defended had to leave the active service in accordance with a political order which ignored the aspirations of the chief of staff.

Bonnet had misjudged the dimensions of a previous warning only days before when the nation's president reversed the change ordered by the Army in the leadership of the Escort Regiment from Granaderos to Caballo, a decision permeated by the president's characteristic habit of retaining those he thinks have served him loyally.

Bonnet's surprise was heightened by another ingredient: Months before, Carlos Menem had promised him a more generous allocation of monies for the institution he headed in 1992, funds from budget increases which the president would fundamentally extend to the Army and which would provide a more solid financial basis for administration of the institution.

Ironically enough, Bonnet would make the decision to resign on the very day that what appears to be the first step of the presidential promise was announced: approval of the supplement by virtue of the "deprived zone" status already reported by this newspaper, a supplement improving by graduated percentages the pay of military personnel based on individual duty assignments.

For the year and a half he served in the post, emerging with flying colors from the incidents of 3 December 1990, Bonnet endured, without commanding, an Army still numb from the critical moments it suffered starting with the Falkland Islands and the decisive changes demanded by events, even though he failed to foresee the magnitude they would assume.

He leaves behind the silence with which he punctiliously adjusted to the difficult political directives he received and which he was unable to explain to subordinnates with any power of conviction.

Succession

The government has thus once again embarked upon the meticulous process of determining the "natural" successor to replace Bonnet, leaving maximum responsibility for leadership of the Army "temporarily" in the hands of the Army's deputy chief, Martin Balza.

Nevertheless, the general consensus is that despite the supposedly temporary nature of the post, by the end of the year, along with other military promotions, Balza will be confirmed in the post in order to extirpate politically any uncertainty stemming from the military sphere.

An artilleryman by training, accessible, and more of a politician, Balza, unlike his predecessor, seems to receive what he has not discarded in the last stretches of his career.

As a veteran of the Falklands and a prisoner of the British following the defeat, the halo of the crowd and the odor of gun powder used to beat a real enemy endow him with attributes that are extremely attractive to Army officials.

A photograph taken when this general and Mohamed Ali Seineldin were held prisoner by the British in the Falklands shows them elbow to elbow. It would be one of the last moments of camaraderie the two would share. They would later manifest substantial differences in their own approach to leadership of the Army. Balza, following the veiled bashing that began in 1987, became an acid critic of the colonel, although without denigrating Seineldin's professional capabilities.

Weapons

If the promise of increased funding for the armed forces starting next year is kept, Balza will have the weapons to perform a task which, by virtue of its very nature, was off limits to Bonnet and which the Army desperately needs: restoration of its mystique.

Bolivia

President on Joining Mercosur, Paraguayan Ties

PY0512131591 Asuncion ABC COLOR in Spanish 5 Dec 91 p 8

[Text] Bolivian President Jaime Paz Zamora has ratified his country's desire to join the Common Market of the South (Mercosur), which includes Argentina, Brazil, Paraguay, and Uruguay. He also maintained that "with the advent of General Rodriguez, a new page of history has been opened between Paraguay and Bolivia."

Paz stated that his government is very interested in joining the Mercosur because the project will allow for better development, especially in trade with other countries. He said: "Bolivia is multifaceted: It is Andean, it is part of the River Plate, and it gravitates toward the Pacific even though we do not have a sea coast."

He expressed confidence that very soon Bolivia will join the subregional organization, and in this respect he added: "I believe we are already immersed in Mercosur through the sale of energy to Argentina, the river waterway, etc."

He commented that he spoke with Rodriguez. He explained that they briefly spoke about plans for trade "and of course the river waterway and the exchange of Paraguayan wheat for Bolivian iron ore," he said.

Oldepesca Technical, Financial Aid for Fishing

PY3011170091 La Paz Television Boliviana Network in Spanish 0200 GMT 30 Nov 91

[Text] The Latin American Organization for Developing Fishing, Oldepesca, beginning in 1992 will grant technical and financial assistance for the implementation of an institutional improvement project for the development of fishing in Bolivia, seeking to improve fishing in the country's three river basins.

This project was presented for consideration by the seventh Oldepesca board meeting and the eighth Latin American fishing ministers conference recently held in Managua. Fishing Development Center [Centro de Desarrollo Pesquero] Director Freddy Arteaga and Julio Sanjines, the president of the Peruvian-Bolivian [Titicaca] lake development commission, participated in both events, representing our country.

New Terrorist Group Claims Attack Responsibility

PY0212115891 Madrid EFE in Spanish 0022 GMT 2 Dec 91

[Text] La Paz, 1 Dec (EFE)—A new Indian terrorist group has claimed responsibility for the bomb attack today on the headquarters of Bolivia's ruling coalition in the southern town of Llallagua.

According to reports received from Llallagua, 334 km south of La Paz, the Tomas Katari Communero Army [Ejercito Comunero Tomas Katari [ECTK] organization, which has not been heard of until now, has claimed responsibility for the attack in pamphlets found at the scene of the attack.

The explosion occurred around 0230 local time. It destroyed the offices of the Nationalist Democratic Action and the Movement of the Revolutionary Left coalition in Llallagua.

The pamphlet disseminated by the ECTK states that the attack represents "the reappearance of the oppressed people on the path of freedom." It also expresses its disagreement with the municipal elections that are being held today, because they seek to replace the traditional leadership of the Indian communities.

The ECTK stated that their actions will be concentrated in the northern provinces of Potosi Department in southern Bolivia, especially in the country's poorest sectors.

The ECTK reaffirms its decision to defend state-owned mines in the face of privatization, and to protect coca plantation, the raw material for cocaine.

Tomas Katari was a Quechua Indian leader who, late in the 1780's, led one of the first Indian uprisings against the authorities of the Spanish colony.

Katari was born between 1735 and 1740 in the San Pedro de Macha village, and was involved in the struggle in support for southern Bolivian regions until he was thrown off a precipice by a military patrol of the Spanish colony on 15 January 1781. When the Indians learned of the death of their leader, they beheaded the patrolmen.

Brazil

* Difficulty in Passage of Nuclear Accord Seen

* Vienna Still on Agenda

92SM0136A Sao Paulo GAZETA MERCANTIL in Portuguese 23-25 Nov 91 p 3

[Report by Maria Helena Tachinardi]

[Text] Brazil and Argentina concluded a comprehensive safeguards agreement last week with the International Atomic Energy Agency (IAEA), headquartered in Vienna, Itamaraty's Secretary General for Foreign Policy Marcos Azambuja announced on Friday.

The document cannot be signed, however, until after Congress ratifies the agreement for exclusively peaceful use of nuclear energy that was signed last year in Foz do Iguacu and complemented this past July by the creation of the Brazilian-Argentine Agency for Accountability and Control of Nuclear Materials, (ABACC), in Guadalajara (Mexico) during the first Iberian-American summit meeting.

The Argentine Congress has already ratified the agreement. President Carlos Menem will only travel to Vienna to meet with President Fernando Collor de Mello if the National Congress approves the bilateral agreement. That would enable the two countries to sign the comprehensive commitment with the IAEA that will permit Brazil and Argentina to safeguard their industrial and technological secrets, and even to build nuclear-propelled vehicles like the nuclear submarine.

This newspaper has learned, however, that it is unlikely that the Brazilian legislature will approve the Brazil-Argentine agreement before its current session ends. Despite the difficulties of winning approval, Itamaraty is counting on that possibility and has already included a stop in Vienna on President Collor's calendar for December. It would occur on the 13th, after his visit to Rome on the 11th and 12th.

It will be harder to get the Brazilian Congress to approve the agreement with the IAEA than the bilateral agreement with Argentina. That is because the latest Chamber of Deputies Congressional Investigation Committee (CPI) on nuclear affairs concluded that inspection of Brazilian nuclear energy activities by international bodies would not be welcomed, as those activities are considered to be internal affairs of this country.

Preservation of rights of access to nuclear technology was a victory that the Brazilians and Argentines won after months of negotiation with the IAEA, which has signed agreements, similar to the one that Brazil and

Argentina will sign, with major powers that are not militarily nuclearized, such as Japan, Sweden, and Germany, Azambuja commented.

The safeguards agreement with the IAEA will enable the agency to check whether the commitments assumed by the two countries, i.e., to pursue only the peaceful use of atomic energy, are in fact being observed and that no nuclear materials are being diverted to war purposes.

According to what this newspaper has learned, the safeguards agreement will not hamper the technological development of Brazil or Argentina. Both will be able, if they so desire, to enrich uranium in order to make the bomb, but the commitment they have assumed is not to make one. The control is exercised over the materials, not the technology, a diplomatic source pointed out.

"We have tried to couch the accord so as to preserve development of technological capabilities and the possibility of doing research, and so far we have succeeded, through a great deal of effort," the source added.

On 9 December, Brazil and Argentina will meet with the Binational Commission on Nuclear Energy in Buenos Aires. The two countries have been cooperating in this field since the end of 1985.

* Opposition in Congress

92SM0136B Sao Paulo GAZETA MERCANTIL in Portuguese 27 Nov 91 p 15

[Report by Maria Helena Tachinardi]

[Text] The head of the Strategic Affairs Secretariat, Pedro Paulo Leoni Ramos, will testify tomorrow before the Chamber of Deputies Committee on National Defense concerning the agreement that Brazil and Argentina plan to sign with the International Atomic Energy Agency (IAEA), whose headquarters are in Vienna.

The subject is arousing a great deal of controversy in Congress. Deputy Mauro Borges (PDC-GO [Christian Democratic Party—Goias State]), a member of the Committee on National Defense and author of a formal request calling Leoni Ramos to testify, considers the agreement with the IAEA that was concluded last week an "innocuous signature" ["assinatura branca"] of the famous Treaty on the Non-Proliferation of Nuclear Weapons (NPT), which has been systematically repudiated by all Brazilian governments since its implementation on 1 July 1968.

In Borges's opinion, the "intervention by the IAEA" might permit the group of seven most industrialized nations, (the G-7), to interfere with Brazil's autonomous technological development.

If Presidents Fernando Collor and Carlos Menem are to sign the safeguards agreement with the IAEA on 13 December, the Congress must approve the bilateral Brazil-Argentina agreement on the peaceful use of nuclear energy, signed in Guadalajara in July of this year.

Legislators say it is unlikely that this accord will be ratified before the 13th. It has already passed through the Committee on Foreign Relations, which debated the merits of the document. Since Friday it has been proceeding simultaneously through the committees on national defense and science and technology.

Not until the end of that process will it be sent to the Committee on the Constitution and Justice, which pays more attention to the form of a measure than to its content.

Advisors to the Committee on Science and Technology told this newspaper that the subject will not be handled in haste, because it is a delicate one. But they add that the accord is good for Brazil because "it is an insurance policy against an attempt to persuade us to sign the NPT." The problem is not the Brazil-Argentina mutual verification agreement, but the one the two countries intend to sign with the IAEA, say those same sources. At Itamaraty, diplomats are also worried about the problems that the agreement with the IAEA will face in Congress. Waiting for legislative approval are about 30 accords signed with Argentina.

* Mercosur Economy Ministers Convene in Rio

* Technical Aspects Discussed

92SM0105A Sao Paulo GAZETA MERCANTIL in Portuguese 11 Nov 91 p 6

[Text] The second meeting by the economy ministers and central bank presidents of Brazil, Argentina, Uruguay, and Paraguay was held on Friday. It turned on a discussion of the necessary technical aspects of operating the Southern Common Market (Mercosur) beginning in January 1995. The meeting lasted seven hours, with a break only for lunch, and was concerned with the purposes of the Treaty of Asuncion, which created Mercosur—that is, the decisions that are made must not have a negative effect on the individual exports of each country, they must promote efficiency in competing on the external market, and they must eliminate tariff protection structures.

Also discussed at the meeting were matters at issue in the Uruguay Round of GATT. The four countries unanimously approved the adoption of a joint stand. In Washington on the 29th of this month, Mercosur will receive GATT's formal approval for recognition as a bloc under the enabling clause providing for the granting of a number of concessions to developing countries.

The representatives of the four Mercosur countries share the concern to prevent their integration from conveying an impression of protectionism and closed markets. The debates steered clear of questions relative to short-term policies, being concerned instead with matters essential

to the establishment of Mercosur and strengthening the idea of adopting a common policy against unfair dumping practices. In the case of agricultural products, there was consensus that the rules governing the GATT code of ethics with reference to subsidies and dumping practices are inadequate for implementation within Mercosur. Agreement was reached to design a specific methodology making it possible to identify the existence of subsidies for the purpose of subsequently applying compensatory tariffs.

Brazil Criticized

Brazil's partners in Mercosur criticized the Consumer Defense Code, which they interpreted as being a tariff restriction. Brazil made it clear that the law in question represents an advance on the part of Brazil, which is not willing to accept the idea of taking a step backward. Minister Marcilio Marques Moreira told this newspaper that he was willing to review technical standards "when they are not really aimed at the consumer but, under cover of defending the consumer, do in fact have a protectionist objective."

The delegations from Uruguay, Argentina, and Paraguay charged that the quality standards required by the Consumer Defense Code would create problems for their countries by leading to unit prices that would function as nontariff barriers.

Lower Tariffs

Argentina advocated lowering customs duties to a maximum of 35 percent, a proposal which Brazil objected to on the grounds that the automotive and household electrical appliance industries have a justified need to keep the rate at 40 percent. Brazil also proposed the appointment of a task force to discuss the matter and reach a consensus. It was eventually decided, at Argentina's suggestion, that a list of Brazilian products unable to withstand a tariff reduction to 35 percent be prepared.

Also agreed to was the adoption of a common standard for the manufacture of goods in order to take advantage of economies of scale. Included in that decision were technical rules governing packaging and the description of contents. Argentina recommended immediate adoption of its proposal to deregulate airlines in the four countries. Brazil felt that that measure should be implemented in the medium term following a period of consultation with the airlines operating in the region.

* Points of Understanding

92SM0105B Sao Paulo GAZETA MERCANTIL in Portuguese 11 Nov 91 p 6

[Text] The consolidation of macroeconomic stability is the most important requirement for moving ahead with the establishment of the Southern Common Market (Mercosur), which consists of Argentina, Brazil, Paraguay, and Uruguay. Together they have a foreign debt of $183.6 billion and a gross domestic product (GDP) of $546 billion. Inflation is under control in Argentina, Uruguay, and Paraguay, with high rates of inflation existing only in Brazil.

During the holding in Rio de Janeiro of the second meeting of ministers from Mercosur—which will receive recognition as an economic bloc from ALADI [Latin American Integration Association] and GATT this coming 29 November, when the Treaty of Asuncion takes effect—Marcilio Marques Moreira of Brazil, Domingo Cavallo of Argentina, Juan Jose Diaz Perez of Paraguay, and Enrique Braga of Uruguay agreed by consensus that the methodology capable of leading their countries to economic stability depended upon eliminating the public deficit and introducing an austere monetary policy to put an end to inflation.

Another point of understanding on the part of the economic authorities involves the existence of a joint external tariff to be implemented beginning in 1994 and the idea that the rate must be as low as possible. Another point agreed on is that Mercosur must seek integration with the international market with a view to joining the international financial community. This will include renegotiation of the debt and agreements with the IMF so that the necessary conditions for attracting foreign investment can be created. There was also agreement on the need to redesign the state apparatus with structural measures resembling privatization and programs for deregulating the economy, the goal being to introduce a market economy with a social concern.

Concerning the foreign exchange policy, Minister Cavallo emphasized that "this is a discussion for the future," saying that the road to stabilization through elimination of the fiscal deficit would lead to talks making it possible in the medium term to introduce similar foreign exchange rules in all four countries, as is the case now in the European Economic Community (EEC).

The Paraguayan minister felt that it would be possible under future agreements to sell electricity from Itaipu to the other Mercosur countries, meaning, in this case, Uruguay, since his country already sells energy to Argentina.

The Uruguayan minister advocated the establishment of a Mercosur court to resolve trade disputes and other matters whose "solution is controversial" among the signatories to Mercosur.

The main points of understanding to emerge from Friday's meeting are these:

1. Uruguay Round: The group decided that the Treaty of Asuncion would be presented to GATT under the terms of the enabling clause, and a task force was set up to present harmonized group positions at the Uruguay Round, which is concerned with tariff structures, services, and patent rights. That task force will hold its first meeting this coming Monday in Washington. The Advisory Council, consisting of the four plus one (Brazil, Argentina, Uruguay, and Paraguay plus the United

States), will be installed on Tuesday. It will study President Bush's plan for aid to Latin America.

2. Sectoral agreements: The sectoral agreements are not to include the adoption of accounts or other unilateral mechanisms restricting access to Mercosur by the partners.

3. Unfair trading practices: There was consensus in support of applying GATT's antisubsidy and antidumping codes to agricultural products. It was recommended that a task force be appointed to design a more specific method of price formation in the case of Mercosur's agricultural products, the purpose being to adapt the GATT code to local realities and make it possible to apply compensatory tariffs to protect the bloc's members from harm.

4. Technical standards: There was consensus in support of speeding up the work to harmonize technical standards in the four countries and bring them into line with international quality standards.

5. Private sector participation: The private sector's participation in subordinate task forces will be allowed in the specific phase of negotiation, but only the governments will participate in the decisionmaking phase.

6. Trademark Registration: The patent agencies of the four countries will hold meetings to find solutions to this problem.

* No Pressure on Brazil

92SM0105C Sao Paulo GAZETA MERCANTIL in Portuguese 11 Nov 91 p 6

[Text] Brazil will not be subjected to pressure of any kind from the countries signing the Treaty of Asuncion, which established Mercosur (Argentina, Uruguay, and Paraguay), to bring its electricity rates into line with those in the other countries, deregulate exchange rates, or eliminate policies in the agricultural area which its partners regard as subsidies.

That guarantee was given by Argentine Minister of Economy Domingo Cavallo during Mercosur's second meeting, which was held in Rio de Janeiro on Friday. He emphasized the intention of Uruguay, Paraguay, and Argentina to "exert no pressure of any kind on Brazil." Cavallo feels that it is better for Mercosur and for Argentina in particular if the Brazilian Government faces its macroeconomic problems using its own diagnosis and the timing and method it chooses. "We are very respectful of that great nation, and we have great confidence in its future," the Argentine minister said, adding: "We, too, have had problems with electricity rates and with very high exchange rates."

For his part, Brazilian Minister of Economy Marcilio Marques Moreira, who was explaining the country's economic situation to the three Mercosur ministers (Domingo Cavallo of Argentina, Juan Jose Diaz Perez of Paraguay, and Enrique Braga of Uruguay) behind closed doors, emphasized the government's intention to revise the price of public services and utility rates "without tricks or sudden increases and without using the price of public services to disguise inflation." Concerning agriculture, he reported on the existence of real interest rates of 9 percent for small producers and of 12.5 percent more for large producers. Concerning foreign exchange, he stressed the 17-percent devaluation of the cruzeiro and said it had had the great virtue of encouraging exporters. According to Marques Moreira, the foreign exchange market is calm, and the difference between the commercial and parallel rates is now 17 percent after having reached nearly 50 percent.

Because of the difficult economic circumstances in Brazil, which is the Mercosur member with the highest inflation rate, Marcilio said he was pursuing a rigid fiscal policy and a monetary policy of positive interest rates to bring down prices. He made it a point, however, to emphasize during an interview that "the Brazilian economy has not been and will not be 'dollarized.'" He pointed out that the establishment of Mercosur would not be complete until 1994 and that in view of inflation and the current foreign exchange system, that was sufficient reason not to promote a regional structural reform at this time.

The Brazilian minister feels that the Mercosur countries must take a "broad view" in seeking a convergence of macroeconomic policies but that this is not an immediate concern. With reference to the success of the measures adopted in the fight against Argentine inflation, the Argentine minister said that "the experience of one country cannot be extrapolated to another."

* Economic Team Differs on Reindexation

92SM0106C Sao Paulo O ESTADO DE SAO PAULO (Economic Section) in Portuguese 8 Nov 91 p 1

[Text] Brasilia—Disagreements over the need to return to indexing are still strong within the government. The president of the Central Bank, Francisco Gros, said yesterday that reindexing the economy is a "priority" and that it can be accomplished by Congress or the executive branch through a legislative bill. He said that to begin with, the return to indexing would take the form of permission for contracts with a term of less than one year to be linked to a price index, thus clearing the way for securities subject to correction to return to the market. He noted that several sectors of society were concerned about the problem of having no indexing factor in a period of high inflation.

Gros said he had not discussed the matter with his "colleagues on the economic team." The Central Bank president denied that there were disagreements between him and Minister Marcilio Marques Moreira, who opposes reindexation, but he let slip that his "colleagues on the team" were in Washington talking to the International Monetary Fund.

Almost at the same time, the executive secretary of the Ministry of Economy, Luis Antonio Goncalves, was saying that in the government's opinion, the problem of indexing the financial market is being solved by the auctioning of National Treasury Notes (NTN's) corrected in accordance with the IGP-M [General Market Price Index] and by the foreign exchange adjustment scheduled for Monday. Goncalves said: "The strains existing in the financial market today will be taken care of by the NTN auction."

The Central Bank president not only advocates a broader indexing of the financial market but also prefers to see indexing adopted in the form of a legislative bill amending Law No. 8,177, which regulates the mechanisms in use today. "I don't like temporary measures," he said. Gros again used one of his favorite expressions: "Reindexation would be a tactical withdrawal." The objective would be to allay the fears felt by the economic agents in the face of advancing inflation.

* Kuwait To Resume Oil Exports in Dec 1992

92SM0106D Sao Paulo O ESTADO DE SAO PAULO (Economic Section) in Portuguese 8 Nov 91 p 11

[Text] Brasilia—Kuwait will resume its exports of 1.5 million barrels of petroleum per day in December of next year. The resumption of full production was announced by the Kuwaiti ambassador to Brazil, Faisal Rashed Al-Ghais, as he reported that Brazil would again receive its quota of 40,000 barrels per day—the same quantity that was being sold before the Gulf War. At present, Kuwait is already producing 465,000 barrels per day. Of that total, the Kuwaitis consume 140,000 barrels and export the rest, most of it to Japan.

This has been a special week for the Kuwaitis. For the past two days the country has been holding national celebrations to mark the end of the fires in its oil wells. Amir Jabir al-Ahmad al-Sabah extinguished the last of those fires by remote control the day before yesterday. "That was our second-biggest victory over the Iraqi regime," the ambassador in Brasilia said happily.

Data provided by Al-Ghais show that of the 940 wells existing in his country, 640 were damaged, with 92 of those being completely destroyed. Of the total number of wells, 732 were set ablaze during the retreat by Iraqi troops in the course of so-called Operation "Desert Storm." Now the Government of Kuwait wants indemnification totaling $200 billion from Iraq.

The Kuwaiti Government estimates that $75 billion worth of damage was done to its oil wells alone during the war. "We have spent $1.5 billion to put out the fires," said Al-Ghais. He added that to put out those fires, it was necessary to build 400 km of aqueduct from the Persian Gulf as well as 280 km of asphalted road, transport 1.8 million cubic meters of sand, and create 361 artificial lakes.

* Petrobras Reduces Natural Gas Burning Losses

92SM0106B Sao Paulo GAZETA MERCANTIL in Portuguese 9-11 Nov 91 p 16

[Article by Luis Leonel]

[Text] Sao Paulo—Petrobras is rapidly reducing the quantity of natural gas it burns in the petroleum basins. At the start of the year, the state enterprise was burning 3.8 million cubic meters per day (21 percent of the nation's gas production). By last July, that figure had dropped to 2.65 million cubic meters (14 percent of production), and it now stands at about 2 million cubic meters (11 percent of production), according to a statement by the executive secretary of the Brazilian Association of State-Owned Natural Gas Companies (Abegas), Ieda Correia Gomes, during a debate at the Sao Paulo State Federation of Industries (FIESP) on Thursday evening.

Attending the debate in addition to Ieda were representatives of Petrobras. "I don't know exactly how much is being burned at present, but I know that the company is reducing its losses," said the deputy coordinator of the state enterprise's commercial department in Sao Paulo, Oscar Rose. The firm's public relations office in Rio de Janeiro has confirmed that the losses at present amount to about 2 million cubic meters per day.

Ieda told an audience of about 50 representatives of firms which use or are interested in the use of natural gas that the loss is even greater. She said: "Petrobras's figures can be improved."

The losses in Rio de Janeiro, where the Campos Basin, which accounts for nearly half of the country's natural gas production, is located, totaled 2.8 million cubic meters per day (35 percent of production) at the start of the year, then fell to 1.66 million cubic meters (22 percent of production) in July, and currently total about 1 million cubic meters (about 13 percent of production). The country produces a little over 18 million cubic meters of natural gas per day, and Rio de Janeiro accounts for 41 percent of that production.

The explanation for the rapid decline in the burning of natural gas may be the emphasis being placed on the subject by the government. A committee set up within the Ministry of Infrastructure to study the share of natural gas in the national energy pattern has shown that it needs to rise from the current 2 percent to about 6 percent by the end of the Collor administration. To achieve that, plans are being made to increase the supply of the product either by increasing Petrobras's production or by importing the product from countries such as Bolivia, Argentina, and Algeria.

"Natural gas is one of the firm's priorities," said Petrobras's planning superintendent, Milton Romeu Franke, in Sao Paulo two months ago. "Petrobras's obligation is to invest in petroleum, not in segments aimed at the consumer," said then Minister of Energy Ozires Silva in

May 1990, thus ruling out participation by Petrobras in construction of the gas pipeline that would bring natural gas from Argentina to Brazil and presenting a clear view of the role that gas played in the company's priorities. Before becoming a minister, Ozires Silva had been president of Petrobras.

Between those two statements, there was a period of 16 months during which pressure from society and the government for more natural gas increased. Big firms, mainly those located near urban areas, want to fuel their boilers with natural gas instead of dirty fuel oil, since making fuel oil less polluting would require huge investments in smokestack filters and process control. The government, backed by public opinion, is encouraging buses and taxis to burn natural gas in order to reduce the consumption of diesel fuel in large urban centers. Minister of Infrastructure Joao Santana said recently that "the priority is to have natural gas replace diesel fuel."

Meetings between representatives of the federal government, the state governments, and private enterprise to discuss the importation of gas are becoming more frequent. Petrobras, which has declined to discuss its participation in construction of the Brazil-Argentina gas pipeline, now accepts the idea of a gas pipeline between Brazil and Bolivia. Ernesto Teixeira Weber, Petrobras's current president, said in Sao Paulo last Monday that the idea of bringing gas from Bolivia was a good one and that Petrobras might manage the pipeline used for that purpose.

Petrobras is even joining with state governments and private enterprise to distribute natural gas in the states. This is already happening in Rio Grande do Sul, Sao Paulo, and Bahia. The BR Distributing Company, which is Petrobras's product marketing arm, has ambitious plans to establish natural gas stations for automobile use beginning in Sao Paulo and Rio de Janeiro. The days when little attention was paid to the quantity of gas being burned in the petroleum-producing basins are over.

* Rezek Visit to Egypt Politically Focused

92SM0106A Sao Paulo GAZETA MERCANTIL in Portuguese 9-11 Nov 91 p 3

[Article by Maria Helena Tachinardi]

[Text] Cairo—In a joint communique being signed this Saturday, Minister of Foreign Affairs Francisco Rezek and his Egyptian counterpart Amre Moussa are expected to reiterate their support for the International Peace Conference being held in Madrid with the participation of all the parties involved in the conflict: Arabs, Jews, and Palestinians. Brazil and Egypt want measures to protect the Palestinians' right to self-determination and a territory of their own, and they feel that all the countries in the region should have the right to live within secure and internationally recognized borders.

The Brazilian Government also supports the efforts by Egyptian President Hosni Mubarak to keep the Middle East an area free of weapons of mass destruction.

In contrast to his visit to Iran early this week, during which he basically discussed economic problems in an attempt to persuade the government of that country to hire Brazilian firms to carry out major construction projects, the foreign minister's purpose in Egypt is to discuss only political matters. This is the first Arab country to welcome an official high-level Brazilian mission since President Fernando Collor took office, and the reason is that it plays a role as moderator in conflicts in the region.

Rezek's meetings this Saturday will be with Moussa, Butros Ghali (deputy prime minister and a strong candidate for UN secretary general), Mohamed Fathy Sorrour, leader of the People's Assembly (Congress), and Minister of Agriculture Youssef Amin Wally. This Sunday the minister will meet with President Hosni Mubarak, who is pursuing a policy of economic liberalization with the help of the dividends he collected in exchange for his real participation in the operation against Iraq. His reward was the cancellation of $13 billion worth of debt, including $7 billion canceled by the United States.

Trade relations with Brazil are very unbalanced. According to data from the Brazilian Ministry of Foreign Affairs, Brazilian exports totaled $174 million last year, while its imports from Egypt did not exceed $930,000.

There is a great deal of ignorance in Egypt concerning what is happening in Brazil, this newspaper was told by Nilo Neme, president of the Foreign Trade Council of the Rio de Janeiro Commercial Association. Today he will sign an agreement with Said El-Tawil of the Businessmen's Association to establish the Brazil-Egypt Chamber of Commerce. The first step will be to inform businessmen about such Brazilian economic reforms as the tariff reductions, says Neme. While Egypt buys soybean oil, sugar, iron ore, and aircraft parts and components from Brazil, Egyptian exports are restricted to sewing thread and coke.

There is a serious problem in bilateral relations: a debt of $108.3 million, of which $50.2 million are past due, in connection with the purchase of Tucano aircraft in 1983. In negotiations with the Paris Club, Egypt obtained cancellation of 50 percent of its public foreign debt. On the basis of the most-favored nation clause, Egyptian authorities want Brazil to also forgive half of the debt owed to it. According to information from the Brazilian Ministry of Foreign Affairs, the position of the Ministry of Economy is that it will discuss the matter in technical terms, considering that the past due amounts with right of recourse are not government debt, while credits falling due are government debt and therefore fall within the scope of the Paris Club. Another of the Ministry of Economy's objectives is to market notes which are either past due or falling due on the international market, even

if it has to sell them at a discount, in order to reduce the losses due to cancellation of 50 percent of the debt.

The Egyptian project of most interest to Brazil is the 400-km Alexandria-Salum railroad on the Libyan border. That project is worth $500 million. The Andrade Gutierrez firm is negotiating to participate in the project, but so far it has not solved the problem of financing, which cannot be based on purchases of Egyptian petroleum. The petroleum here is high in sulfur and cannot be cracked in Brazil. It is possible that the construction firm will be able to make the deal workable by exporting Egyptian petroleum on the spot market, this newspaper was told by the firm's manager, Jose Mauricio Bicalho.

Two memorandums of understanding have been signed during Rezek's visit to Cairo: one between the CPRM [Mineral Resources Prospecting Company] and the Egyptian Geological Survey for cooperation in the mineral area and the other between the National Library Foundation, headed by Affonso Romano Sant'Anna, and the Egyptian National Library, in which it is provided that Brazil will help Egypt reorganize the Alexandria library—the largest in the world in the third century of the Christian era. Initially, Brazil will donate 100 books to the new library, which is being financed by UNESCO.

IMF Program Reportely Not To Cause R[illegible]ion

PY0512225691 Brasilia Voz do Brasil Network in Portuguese 2100 GMT 5 Dec 91

[Report by Miriam Oliveira]

[Text] Economic Policy Secretary Roberto Macedo does not believe the economic program Brazil agreed to implement in exchange for the IMF's $2 billion will worsen the recession in 1992.

Secretary Macedo admits, however, that the situation during the first six months of the program implementation period will be tighter ones. He said these six months are the fundamental period for the successful implementation of the economic adjustment. In Macedo's opinion, only a very heated economy suffers a great impact when an economic stabilization program is implemented.

[Begin recording] I believe the economy already has experienced a period of economic difficulties. When the economy is very heated, this type of program has greater impact on the situation. Currently, we believe this will not occur. We are not expecting any growth next year, but I believe that the worsening of the recession can be avoided. [end recording]

The secretary again discarded the possibility of a price freeze during the stabilization program. He added that Brazil will fail to make $500 billion if the economic adjustment does not work out.

Trade With Venezuela Hits $1 Billion

PY0512232291 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 3 Dec 91 Special Supplement p 6

[Summary] The Venezuelan-Brazilian Chamber of Commerce and Industry, which held its fourth meeting in November, reported that trade between the two countries is about $1 billion annually. The chamber also reported that General Motors and Fiat of Brazil already are operating in Venezuela.

Chile

Reportage on Hungarian President Goncz Visit

Visits Congress

PY0612115491 Santiago Television Nacional de Chile Network in Spanish 2330 GMT 5 Dec 91

[Text] Congress today convened a special joint session to receive Hungarian President Arpad Goncz.

The ceremony took place at the Honor Hall of the National Congress and lasted 30 minutes. Senate President Gabriel Valdes said that the presence of the Hungarian president shows that the world moves toward freedom in all continents. Chamber of Deputies President Jose Antonio Viera-Gallo recalled that today marks the 35th anniversary of the Soviet repression of the 1956 Hungarian uprising, which was one of many expressions of the Hungarian people's spirit of freedom.

Hungarian President Arpad Goncz said that the spirit and history of the two countries share many things in common. He mentioned as an example that his country has also passed peacefully from a dictatorial regime to a democratic system.

Encourages Ties

LD0512223291 Budapest Kossuth Radio Network in Hungarian 1800 GMT 5 Dec 91

[Text] Hungary wants to build its foreign policy on several pillars. This is why it is important for us to establish good relations with Chile, said the president of the Hungarian Republic. Arpad Goncz addressed the Chilean Congress. He described it enviable that there is no nationalism in the South American country and that there are no crisis centers around it. A statement by Arpad Goncz that there are countries that have to join forces with one another to overcome poverty and backwardness has generated full agreement among the Chilean legislators.

Views Latin American Ties

PY0612122291 Santiago Television Nacional de Chile Network in Spanish 2330 GMT 5 Dec 91

["Exclusive" interview with Hungarian President Arpad Goncz by Bernardo de la Maza in Santiago—recorded, in English with simultaneous translation into Spanish]

[Text] [Maza] Mr. President, what is the main purpose of your visit to Chile?

[Goncz] I want to strengthen Hungarian links with Latin America. I live in Central Europe but I want to have one foot there and another in North America, West Europe, Latin America, and the Pacific.

[Maza] A group of UN experts said this week that something like the Marshall Plan would be necessary if the Soviet Union and East Europe are going to continue toward a market economy without great social unrest. Do you agree with this?

[Goncz] Yes. I am sure it would be very useful. But I doubt if it will be possible. The idea was raised more than once but it never flourished.

[Maza] Why do you think this happened?

[Goncz] Because the Marshall Plan originally sought to rehabilitate the market economy. Our situation is different. In any case, we will be very happy with any help.

[Maza] Communism fell in Hungary. The people, however, are suffering the difficulties of a transition to a market economy. What are the possibilities of a resurgence of Marxist-Leninist ideology?

[Goncz] Those are two different questions. First, we thought the communist system would be very, very difficult to topple, but it fell all by itself. Second, the road toward a market economy is very, very difficult and painful. There are social tensions in all East European countries because the standard of living is dropping even though future prospects are very good, and the people are not very happy. I am absolutely sure that communists will never make a comeback. The change is irreversible.

[Maza] What political ideas might emerge in nations like yours where communism has been rejected but capitalism is also beginning to be rejected because of unemployment and inflation?

[Goncz] We do not reject capitalism. We cannot reject it because we do not have an alternative. We have to persevere.

[Maza] Do you think that some Hungarians might want to go back?

[Goncz] No, no, the people do not want to return to the past. The people want to advance quicker.

[Maza] Do you think Hungary should study the possibility of letting a few thousand Hungarians settle in Chile; to colonize the south of Chile for instance?

[Goncz] I would like to send thousands and thousands of Hungarians to your country and other countries so that they can learn from other experiences, but I would like them to come back. We have a population of 10 million. We want them to live in their own land because they are part of the Hungarian nation.

[Maza] Thank you Mr. President. We hope you will enjoy your stay in Chile.

[Goncz] Thank you. I am sure that my visit will be of mutual benefit.

Addresses Senate in Valparaiso

LD0512223191 Budapest MTI in English 1829 GMT 5 Dec 91

[Text] Valparaiso, Chile, December 5 (MTI)—Chile and Hungary face similar problems, so it may be interesting and useful to share experiences, Hungarian President Arpad Goncz said at a meeting with the people of Valparaiso today.

Goncz, the first Hungarian president to visit Chile, was invited to the Valparaiso mayor's office, where he was presented with the Diego del Almagro medal.

Later, in an address to the Chilean Senate and the Chamber of Deputies, Goncz spoke about political changes in Hungary and prospects of Chilean-Hungarian ties.

Discusses Issues With Aylwin

LD0512161891 Budapest MTI in English 1450 GMT 5 Dec 91

[Text] Santiago de Chile, December 5 (MTI)—Both Hungary and Chile plan to democratically redraw their socio-systems, and enforce social justice with market-based economic growth in mind, Presidents Arpad Goncz of Hungary and Patricio Aylwin of Chile said at talks today.

Discussing the Yugoslav crisis, Goncz said although Hungary is outside the crisis zone, it is faced by a massive influx of refugees from Yugoslavia. He said Hungary, along with Western Europe, will recognize Croatian and Slovenian independence despite the possible affect on the 500,000 ethnic Hungarians living in Serbia.

As the regional contacts may play an important part in settling local crises, Hungary has a particular interest in the Chilean experience and South American regional cooperation.

Speaking about the recent history of Chile, President Aylwin said the return to democracy was by peaceful

means. The political situation is stable, and Chile wants to secure total freedom to domestic and foreign entrepreneurs.

Following the official discussion, Goncz left for Pacific Ocean- side town of Valparaiso.

The Hungarian president is visiting Chile as the first leg of his Latin American tour covering four countries.

Senator Asks Government To Give Honecker Asylum

PY0512192491 Madrid EFE in Spanish 1623 GMT 5 Dec 91

[Text] Santiago, 5 Dec (EFE)—A senator of the National Renewal Party—a rightist Chilean party—today asked the Chilean Government to facilitate administrative steps in order to grant political asylum to former GDR leader Erich Honecker.

In a note to the Foreign Ministry, Senator Hugo Ortiz de Filippi said that granting asylum to the former communist chief of state "is a humanitarian decision for an old, sick man," and that to ask him for a passport "practically means to refuse to grant him asylum."

Through the Foreign Ministry, the Chilean Government has officially reiterated that "Honecker will be able to enter Chile only with a valid German passport."

The former German leader, whose daughter Sonia and two grandsons live in Chile, has a German passport with which he can only travel from Moscow to Germany.

Honecker, who sought shelter in the USSR in 1989, has said that he would like to live with his family in Chile until he dies.

The granting of political asylum to Honecker has given rise to a debate in Chile between those who are in favor of the measure—most of them leftist parties—and those who are against it—rightist parties, who claim that he must account for his deeds before German courts.

Those who are in favor of granting him asylum have said that it must be granted primarily for "humanitarian reasons," ruling out the validity of the charges the federal German Government pressed against him.

During a visit to Chile in October, German Chancellor Helmut Kohl said that it was "unacceptable" that the man responsible for the deaths at the Berlin Wall and the "oppression of the East German people" should remain free, while the soldiers who obeyed his orders are being prosecuted.

Senator Ortiz de Filippi said that he would not like to think that "Honecker is not given a chance to come to Chile to avoid annoying Kohl or his government."

He recalled that throughout its history, Chile has sheltered many refugees, and that "no one recalls that none of those thousands of refugees was asked to come with a passport. On those occasions there was political will to grant asylum."

He said: "I see double standards [preceding word in English] and disguised cowardliness behind administrative requests, which are known beforehand to be impossible to fulfill."

He added that Honecker gave political asylum without any type of condition to some Chileans who today hold major government posts.

Navy Leader Rejects Armed Forces Politicization

PY0512205091 Santiago EL MERCURIO in Spanish 27 Nov 91 pp C1, C8

[Excerpt] Valparaiso—Navy Commander Admiral Jorge Martinez Busch stated yesterday that "in a technical point of view the Armed Forces cannot be politicized...in no way."

The Navy commander declined to comment on President Patricio Aylwin's statement that proposals for retirement from the Armed Forces should not depend on the commanders in chief but on the chief of state. The president had said that this matter probably will become a constitutional amendment proposal to be submitted to Congress.

"I do not comment on remarks made by his excellency. It is not appropriate for me to make comments because it is a political matter," Martinez Busch said.

He talked to reporters accredited to Congress after a meeting with Senate President Gabriel Valdes, who invited him for lunch.

The admiral said: "From a technical point of view it is interesting to recall the discussion at the constituent commission. Some interesting points that should be taken into account were established then."

He said: "From a technical point of view, the Armed Forces cannot be politicized, in no way. That is all I can tell you."

When asked whether, in his opinion, the proposed regulations could politicize the Armed Forces, the Navy commander said: "We must study the records. Normally there is a technical report of consultation. That is the normal procedure, but while the text is not known and the concrete records are not known, I cannot give you an opinion."

He added: "One thing is interesting, that it is not right to keep giving opinions on what his excellency the president of the Republic says, and in this case, from a technical point of view, there is a consultation. That is the normal procedure, and thus, through that channel, an opinion is given."

When asked whether he was expecting the president to make a consultation, Martinez Busch said: "Normally,

an interaction takes place through the Defense Ministry, and the points of view of the respective areas are viewed."

In answer to another similar question, he said that "while the concrete records are not achieved I cannot give you an opinion."

When asked whether he contacted the other commanders in chief on this matter, the Navy commander said: "Normally, each of these subjects is treated individually." [passage omitted]

Air Force Commander Rejects Political Involvement

PY0312195791 Santiago EL MERCURIO in Spanish 26 Nov 91 p C3

[Excerpts] General Ramon Vega Hidalgo, Chilean Air Force commander in chief yesterday said: "It is not a good idea to politicize the Armed Forces...never."

General Vega talked to reporters after a meeting with General Augusto Pinochet, Army Commander in Chief, at his offices to greet him on his birthday. [passage omitted].

Asked to elaborate on the opinions of the commanders in chief about the constitutional reform proposal that seeks to reduce their powers, Gen. Ramon Vega said: "I think it is too early to give an opinion. We will wait to see a definitive text of the proposal so that we can comment in a concrete, legal, and efficient way."

Vega insisted that before talking about the issue he needed to see the "basic text" of the Armed Forces officers' designations and retirements.

"So far we have a general opinion by the president of the Republic and I cannot comment on that. We will study the direct, practical, and essential arguments once I receive a concrete text. We cannot comment on things that are not concrete...yet. He (His Excellency) has an opinion; he is the president of the Republic. We will obviously comment on it after we receive a copy of the draft bill. We cannot comment before that."

Asked if he supports the idea of making an early analysis of President Aylwin's initiative, Vega said: "No...I support the idea—in principle—of waiting for a concrete proposal before commenting. Right now I cannot answer because I do not know enough. I do not support the idea of politicizing the Armed Forces. The Armed Forces must be above political discussions or partisan subordinations. That would not be efficient for any armed forces." [passage omitted]

Peru

Ambassador Interviewed on Rio Protocol Issue

PA2911164891 Lima Panamericana Television Network in Spanish 1200 GMT 28 Nov 91

[Interview with Senator Luis Bedoya, member of the Peruvian commission of plenipotentiary ambassadors, by unidentified reporter; place not given—live]

[Text] [Reporter] Good morning, Senator Bedoya.

[Bedoya] Good morning.

[Reporter] When will you leave for the United States?

[Bedoya] We leave 29 November for Washington, where we will work for two days. On 4 December, we plan to hold some meetings in New York City. This means we are going to be in the United States until 5 December.

[Reporter] Senator, could you tell us about the results of the visits you made to three of the four guarantor countries? How was the commission received in Brazil, Argentina, and Chile?

[Bedoya] I would say that the results are very positive. In each country, we met with the corresponding foreign minister, the presidents of the chambers of congresses, the foreign relations commission, labor unions, business associations, and leaders of political parties. Generally speaking, the attitude toward Peru's position was positive. This position is supported by international law and is based on unrestricted support for signed treaties. I believe that the attitude toward the Peruvian delegation was very positive.

[Reporter] Following your visit to these three guarantor countries, is it clear that the Rio Protocol is in effect, that it cannot be altered, and that it must be respected? Was this clearly established in the talks you held?

[Bedoya] It is evident that the guarantors support the protocol, that is why they are guarantors. Any doubt about this can exist only in the mind of some Ecuadoreans, but not in the guarantor countries. They served as guarantors of the validity of the protocol and, as the protocol states, they must cooperate with the interested countries, Peru and Ecuador in this case, until the border is completely marked.

The protocol states that if any problem arises in the marking of borders, the guarantor countries are the ones that must arbitrate on that matter. In this regard, the guarantors have issued a completely positive and direct response that leaves no doubt on their position.

[Reporter] Senator Bedoya, an Ecuadoran commission visited the guarantor countries, as well as other countries of the region before you. They did it to obtain support for their proposal for papal arbitration. In Brazil, for example, one senator spoke about something that is not envisaged in the protocol—the mediation by Brazil. Do

you think that some sectors were confused about the protocol and that now, as a result of your timely visit, the situation is clear, or do you think there are still doubts and that the Ecuadoran proposal has gained support?

[Bedoya] There are two important points here. First, we were asked in some countries if we were prepared to accept papal mediation, some sort of papal arbitration. Our answer was a categorical no and this does not mean that we do not respect or love the pope, but that such mediation is not included in the protocol. The protocol establishes that this matter pertains only to the two interested countries and the four guarantor countries. This mediation would be an indirect way of ignoring the protocol, an action in which Peru would be participating. This is why we have not agreed to papal mediation.

I also believe that when the Ecuadoran mission visited the guarantor countries, it received the impression that the guarantor countries are not prepared to shift away from the principle that international treaties, especially those concerning borders, must be obeyed and implemented.

This is perhaps why there has been a change in the Ecuadoran position. Ecuador is abandoning its thesis due to a lack of validity and is now emphasizing other aspects, especially free navigation through the Amazon River, something that the protocol establishes and that Peru has never denied. In the protocol, in 1942, we agreed that Ecuador has as much right to navigate in the Amazon as Brazil and Colombia. It even has more customs facilities, as established in the letter President Fujimori recently sent to Ecuadoran President Borja.

[Reporter] Ecuador has not taken advantage of this right because it would be acknowledging the protocol.

[Bedoya] We think that Ecuador has wasted time attempting to nullify the protocol, instead of implementing it. If Ecuador had worked on the implementation of the protocol, it would now be sailing, easily and completely free, through the Amazon to reach the Atlantic.

[Reporter] As the president of the commission of plenipotentiary ambassadors has said, you did not go to these countries to negotiate, and you are not going to the United States to negotiate anything either. I want to ask you a question: Did you convince your interlocutors? Do you think they believe what you told them?

[Bedoya] We think that Peru's position has been clearly established. It has evoked a very favorable reaction from the media, not only the local media. I think that media reports in various countries have been very positive. I think we have influenced public opinion, an important aspect of our mission. Our mission had a two-fold objective: the official objective, that is, the meeting with the foreign ministers, the presidents of the chambers of congresses, senators, deputies, members of foreign relations commissions, and political leaders; the other objective was to influence the people. I think the mission was very positive in both aspects.

[Reporter] Fine. Thank you, senator, for your kindness.

[Bedoya] Thank you.

[Reporter] The commission of plenipotentiary ambassadors will travel to the United States on 30 November. The United States is the fourth guarantor country the commission will visit.

Former President Rejects Deputies' Charges

PA0512183091 Lima Panamericana Television Network in Spanish 1200 GMT 5 Dec 91

[Text] The Chamber of Deputies has agreed to file charges, in keeping with the Constitution, against five members of the Supreme Court's Second Penal Court and 2 former APRA [American Popular Revolutionary Alliance] senators. Former President Alan Garcia has said that this is a below the belt action against the autonomy of the Judicial Branch.

[Begin recording] [Alan Garcia] The Chamber of Deputies has, in a fit of temper and in a desperate action, filed charges against the Supreme Court's Second Penal Court—for violating the Constitution—to coerce it, to force it, to approve what the Chamber of Deputies wants. I believe that this is manipulation, an effort to coerce and frighten the members [of the Supreme Court's Second Penal Court], and Peru must know about this because this is a below the belt action, a filthy action. This is tantamount to overturning the chess board because the opponent does not allow any cheating.

The Senate and the Chamber of Deputies have done nothing for Peru in 16 months; all they have done is persecute me, squandering the salaries and resources that the state pays them. They now accuse the magistrates because the lawyers and magistrates do not side with them. Early this morning they accused the Supreme Court's Second Penal Court and formed an investigating commission to fire them when the time is right. The parliamentarians are doing this to coerce the magistrates so that they do what the parliamentarians wanted to do with me, and I state: This cannot be; this is not fair; this is not a fair game. Why do they not appoint Olivera, Flores Mano, and Malpica [not further identified] to the Supreme Court? Why are they not appointed members of the Supreme Court's Second Penal Court? They can later file charges against me within the Judicial Branch.

I want to protest before the entire country. Let it be known how low the actions of the Chamber of Deputies have fallen in their desperation when they see that 16 months of persecution, filled with hatred and ill-will, have been ruled out by the Judicial Branch. This cannot go unpunished. The people must morally, electorally punish these embezzlers, these professional mudslingers

who make a living by insulting other people. Certain parliamentarians have found an easy way to make a living by insulting everyone—Olivera and Malpica above all. I do not think that things should remain like this, as if no one cares. One cannot remain indifferent, pretending that we do not care about what they say. They must be punished!

[Reporter] Will you adopt some type of action?

[Garcia] A sanction will be requested—serenely, legally—when the process concludes. We will not react with hate or insults, but there must certainly be some kind of legal or moral action against these people, because they have lied. [end recording]

Senate Repeals, Amends Legislative Decrees

PA2911173791 Lima Global de Television Network in Spanish 0104 GMT 27 Nov 91

[Text] The Senate, which in its plenary session on 26 November approved a proposal to abrogate 10 legislative decrees and amend four others, on 27 November continued its work of closely examining everything related to pacification and national defense. Senate President Felipe Osterling said that it will not be necessary to repeal all the decrees, but simply amend those that have exceeded the authority that the congress delegated to the executive branch.

[Begin recording of Socialist Left Senator Edmundo Murrugarra] Duties must be carried out. According to the Constitution, the executive branch did its part by passing the decrees along to the legislative branch. It is now up to this branch to take a stand by amending, ratifying, or repealing them. It is not good to waste time in intellectual debates on who carries more weight or who will do more. All of us should join forces to get the country out of the situation it is in. [end recording]

This was Murrugarra's reaction to President Alberto Fujimori's recent rigid defense of the legislative decrees enacted by the executive branch. Meanwhile, in the Senate the work to amend or repeal the decrees continued. Debate has consumed most of the time in the sessions. As of yesterday, the following 10 legislative decrees had been repealed: Decree 647, which governs private investment in Mineros, Centromin, and Hierroperu enterprises; Decree 675, which privatizes Minpeco; Decrees 731 and 764, which extends the time in force for the Criminal Procedure Code; Decree 736, which incorporates into the Criminal Code the articles that deal with money laundering and drug trafficking; Decree 746, which creates the National Intelligence System; Decree 747, which modifies the penalties for concealing evidence; Decree 760, which governs professionalization; Decree 767, which deals with national defense, and Decree 687, which designated administration over places where thermal water sources are located to the deputy tourism minister. In addition, Article 44 of Decree 716 and Article 19 of Decree 701, or the Law on Monopolies, have also been abrogated.

Concerning the work thus far, Senator Raul Ferrero today announced the amending of the national defense laws.

[Begin recording] [Ferrero] All political groups in the Senate agree that it is necessary to make several important amendments to the legislative decrees that pertain to pacification and national defense. It is necessary not only to abrogate some of these legislative decrees, but to replace them with others.

[Reporter] Has any consensus been reached with regard to the dissemination by the media of information considered military secrets?

[Ferrero] We have already proposed abrogating the corresponding articles in the Senate because we believe they constitute an attack on freedom of expression. [end recording]

Once the decision of the Congress is announced, the executive branch has 15 days to decide if it will accept them. If the decrees are rejected, the executive branch will return them to the Congress, which could approve them. According to the Senate president, however, this is far from the case because the senators have been respecting the positive aspects of each decree.

Economy Ministry Reports Trade Balance Deficit

PY0512114891 Lima EXPRESO in Spanish 25 Nov 91 p A12

[Summary] The Economy and Finance Ministry has reported that the trade balance last September shows a deficit of $17 million due to reduced exports of traditional products, especially fish and some mining products. So far this year the trade balance shows a surplus of approximately $315 million. This figure does not include defense expenditures and donations which is why the figure differs from the calculations made by the Central Bank.